



REQUEST FOR PROPOSALS

CONTRACT: 321216

457(b) DEFERRED COMPENSATION PLAN RECORD KEEPING SERVICES

MAYOR

SKIP HALL

CITY COUNCIL

ROLAND F. WINTERS, JR., District 1
ALY CLINE, District 2
PATRICK DUFFY, VICE MAYOR, District 3

KEN REMLEY, District 4
JACK HASTINGS, District 5
CHRIS JUDD, District 6

CITY MANAGER

MICHAEL FRAZIER

DEPARTMENT DIRECTOR

LISA ANGELINI

April 29, 2021

**REQUEST FOR PROPOSAL****457(b) DEFERRED COMPENSATION
PLAN RECORD KEEPING SERVICES**

Procurement Division
16000 N. Civic Center Plaza
Surprise, Arizona 85374
Phone: (623) 222-3700
Fax: (623) 222-1801

COVER SHEET

The City of Surprise is seeking proposals for 457(b) Deferred Compensation Plan Record Keeping Services for the Human Resources Department per the specifications herein.


In accordance with the City Procurement Code, competitive sealed proposals will be received via the City's e-Procurement Portal, ProcureNow (<https://secure.procurenow.com/portal/surpriseaz>) until the date and time cited in this document. **Late responses will not be considered.** Offerors must carefully read the entire RFP package.

Information regarding the requirements of this RFP may be obtained through the City's e-Procurement Portal.

The entire information package can be downloaded from the City's website: <https://www.surpriseaz.gov/bids.aspx>.

The City shall not be held responsible for any oral instructions or formal documentation of any information exchange during a pre-submittal meeting. Any changes to this Request for Proposal will be in the form of a published amendment. All technical questions regarding this Request for Proposal must be submitted in writing via the City's e-Procurement Portal.

Please reference contract #321216 in all your communications to the City.

DocuSigned by:

955981F9DE77487...

Eric Boyles, CPPO, CPPB
Procurement Manager

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RFP SCHEDULE

RELEASE RFP	4/29/2021
OPTIONAL PRE-PROPOSAL MEETING	5/13/2021 at 10:00 A.M.; Local Time Virtual Meeting; Link to Register Link to register
FINAL DATE/TIME FOR QUESTIONS	May 20, 2021 at 4:00 P.M.; Local Time Questions will not be accepted after this date and time
RFP DUE DATE/TIME	May 27, 2021 at 11:00 A.M.; Local Time Submittals will not be accepted later than RFP Due Date/Time, (Local Time), in the City's e-Procurement Portal
ANTICIPATED CONTRACT AWARD	July 29, 2021

Direct all questions regarding this Request for Proposal through the ProcureNow Question/Answer Tab via the City's e-Procurement Portal, on or before the question deadline.

Publication: AZ Business Gazette and City of Surprise website at: <https://www.surpriseaz.gov/bids.aspx>
 Date(s): 4/29/2021, 5/6/2021

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OFFER AND ACCEPTANCE**OFFER**

The undersigned hereby certifies on behalf of the named entity that:

- Reasonable diligence has been exercised in the preparation of this submission;
- All contents are true, accurate, and complete to the best of the signer's knowledge;
- The undersigned has the authority to make this Offer and to bind the entity named below;
- No exceptions to the RFP are taken, unless noted within the Term & Conditions exception form; and
- The Offeror meets all minimum qualifications identified in the Scope of Work/Services.

The undersigned further certifies that the entity named below IS or IS NOT currently debarred, suspended, or proposed for debarment by any governmental entity. The undersigned agrees to notify the City of any change in this status, should one occur, before the time an award has been made under this Request for Proposal.

The undersigned, on behalf of the entity named below, hereby offers to furnish Goods and/or Services as set forth in this Offer, in compliance with all terms, conditions, specifications in and amendments to the Request for Proposal #321216. By making this Offer, the entity will be contractually bound to provide these Goods and/or Services if the Offer is accepted by the City.

Name:		Telephone:	
Company Name:		Fax:	
Address:		Authorized Signature for Offer	
City, St. Zip:		Title:	
DUNS #:		email	

ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Surprise Use Only)

Your offer is hereby accepted. The Offeror is now bound to provide services in the solicitation, including all terms conditions, specifications, amendments, etc., and the Offeror's offer as accepted by the City.

Attested by: _____ City Clerk Approved as to form: _____ City Attorney's Office	Contract #: 321216 457(b) Deferred Compensation Plan Record Keeping Services _____ Procurement Manager Awarded on: _____ Effective Date: _____
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INSTRUCTIONS TO OFFERORS

- 1. OFFER SUBMISSION, DUE DATE AND TIME:** Offers in response to this solicitation shall be submitted via the City's e-Procurement Portal, ProcureNow to be received no later than the Proposal Submission Date at the Proposal Submission Time.
- 2. PREPARATION OF PROPOSAL:**
 - a) All proposals must be on the forms provided in this *Request for Proposal* package. It is permissible to copy these forms if required. Faxed or e-mailed responses will not be considered.
 - b) The Offer and Contract Award document must be submitted via the City's e-Procurement Portal with a signature by a person authorized to sign the offer.
 - c) Erasures, interlineations, or other modifications in the RFP must be initialed by the authorized person signing the Offer.
 - d) If price is a consideration and in case of error in the extension of prices in the proposal, the unit price will govern. No proposal may be altered, amended, or withdrawn after the specified proposal due date and time.
 - e) Periods of time, stated as a number of days, will be calendar days.
 - f) It is the responsibility of all prospective offerors to examine the entire *Request for Proposal* package and seek clarification of any item or requirement that may not be clear and to check all responses for accuracy before submitting a proposal. Negligence in preparing a Proposal confers no right of withdrawal after proposal due date and time.
- 3. PROPOSAL FORMAT:** Proposals shall be submitted via the City's e-Procurement Portal. Proposal submissions are limited to a maximum of **fifty-two (52) pages** in length, excluding the Offer & Acceptance page, any documents in the Exhibit Folder, and any other required forms. Adherence to the maximum page criteria is critical; each page side with evaluation criteria information will be counted. Pages that have photos, charts, graphs or criteria information will be counted towards the maximum number of pages. **Supplemental Resumes are not allowed and will be counted towards the page limit.** The SOQ shall be submitted with the following sections:
 - a) Offer and Acceptance
The first section of the proposal shall contain the Offer and Acceptance Form. The Offer and Acceptance Form shall be signed by an authorized representative of the company such as the owner, partner, or in the case of a corporation, the President, Vice President, Secretary, or other corporate officer(s) that is permitted to contract on behalf of the organization.
 - b) Cover Letter **(2 Page Limit)**
Identification of Offeror including name, address, telephone number, fax number and email address. The letter must include signature of an officer of the Offeror authorized to contract for work.
 - c) Proposal Questionnaire **(50 Page Limit)**
Respond to all questions and requests listed in the Questionnaire section of the RFP. Your response should use Calibri font size 11 pt. Your response excluding the cover letter and exhibit section should not exceed 50 pages. Some questions require a "yes" or "no" answer, while others require written responses. A response box for written answers including word limitations is provided. Do not exceed the word count or change the answer box size. Do not include any attachments, graphics or exhibits not specifically requested.

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d) Exhibit Folder

There are numerous questions in the Proposal Questionnaire that require a description and/or samples to be provided in a separate Proposing Firm Exhibit Folder.

- Exhibit 1: Insurance Rating Agency Report
- Exhibit 2: SOC 1 Audit Reports
- Exhibit 3: Control Objective Results
- Exhibit 4: Sample Quarterly Participant Statement
- Exhibit 5: Fee Disclosure Sample
- Exhibit 6: Capital Preservation Fund Fact Sheet
- Exhibit 7: List of Proprietary and Alliance Funds
- Exhibit 8: Sample Participant Brokerage Statement
- Exhibit 9: Sample Transition Plan

The Offeror shall ensure that each section of the Proposal is tab divided into the following order:

- Tab 1 Cover letter **(2 page limit)**
- Tab 2 Proposal Questionnaire for Sections A-F **(50 page limit)**
- Tab 3 Exhibit 1: Insurance Rating Agency Report
- Tab 4 Exhibit 2: SOC 1 Audit Reports
- Tab 5 Exhibit 3: Control Objective Results
- Tab 6 Exhibit 4: Sample Quarterly Participant Statement
- Tab 7 Exhibit 5: Fee Disclosure Sample
- Tab 8 Exhibit 6: Capital Preservation Fund Fact Sheet
- Tab 9 Exhibit 7: List of Proprietary and Alliance Funds
- Tab 10 Exhibit 8: Sample Participant Brokerage Statement
- Tab 11 Exhibit 9: Sample Transition Plan
- Tab 12 City of Surprise Other Required Forms

Other Required Forms

- e) Executed Affidavit of Non-Collusion
- f) Executed Immigration Warranty
- g) Executed Certificate of Insurability Statement
- h) Terms & Conditions Exceptions Form
- i) License Requirements Form
- j) MBWE/Local Vendor Form
- k) Compliance with A.R.S. § 35-393.01 Form
- l) Signed W-9
- m) Additional Requirements (as applicable)

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***Failure to provide all documents or follow the provided order in your proposal may result in your submission being deemed non-responsive.**

The City of Surprise reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in this request for proposals, unless clearly and specifically noted in the proposal submitted, and confirmed in the contract between the City of Surprise and the firm selected.

- 4. INQUIRIES:** Any question related to the *Request for Proposal* must be submitted in writing through the ProcureNow Question/Answer Tab via the City's e-Procurement portal, on or before, Question & Answer Submission Date by Question & Answer Submission Time. Please include the section title for each question, if applicable, in order to ensure that questions asked are responded to correctly. All questions submitted and answers provided shall be electronically distributed to bidders following this solicitation on the City's e-Procurement Portal.
- 5. PROSPECTIVE OFFERORS CONFERENCE:** An optional prospective offerors conference may be held. If scheduled, the date and time of this conference will be indicated on the cover page of this document. The purpose of this conference will be to clarify the contents of this Request for Proposal in order to prevent any misunderstanding of the City's position. Any doubt as to the requirements of this Request for Proposal or any apparent omission or discrepancy should be presented to the City. The City will then determine if any action is necessary and may issue a written amendment to the Request for Proposal. Oral statements or instructions will not constitute an amendment to this Request for Proposal.
- 6. LATE PROPOSALS:** Late proposals will not be considered.
- 7. WITHDRAWAL OF PROPOSAL:** At any time prior to the specified proposal due date and time, a prospective offeror (or designated representative) may withdraw the proposal through the City's e-Procurement Portal under the guidelines of the Surprise Procurement Code. The responding firm may "unsubmit" their proposal in ProcureNow and after withdrawing a previously submitted proposal, the responding firm may submit another proposal at any time prior to the solicitation due date and time.
- 8. AMENDMENT OF PROPOSAL:** Any addenda shall be posted on the District's e-Procurement Portal and must be acknowledged by the proposer. Addenda notifications will be emailed to all persons on record as following this RFQ. Failure of any Offeror to receive any such addenda or interpretation shall not relieve such Offeror from any obligation under their SOQ as submitted. All addenda so issued shall become part of the contract documents.
- 9. VENDOR REGISTRATION:** The successful offeror shall be required to register as a vendor before contract award. This registration is done separately from the City's e-Procurement Portal.
- 10. PAST PERFORMANCE VERIFICATION: RESERVED**
- 11. RESPONSIVE BIDDER:** A "responsive bidder" means an Offeror determined by the Procurement Manager to have submitted a proposal that conforms in all material respects to the requirements of the proposal documents.
- 12. RESPONSIBLE BIDDER:** A "responsible bidder" means an Offeror determined by the Procurement Manager to have the following qualities:
 - a) The ability, capacity, experience and skill to provide the goods and/or services in accordance with proposal specifications;
 - b) The ability to provide the goods and/or services promptly, or within the time specified, without delay or interference;

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- c) The equipment, facilities and resources of such capacity and location to enable the Offeror to provide the goods and/or services;
- d) The ability to provide future maintenance, repair, parts and service for the use of the goods and/or services purchased, if applicable;
- e) The quality and adaptability of the materials, supplies or services required or necessary to the particular use; and
- f) The financial resources to perform the Contract.

13. PROPOSAL EVALUATION: Award(s) will be made to the responsible and responsive Offeror(s) whose proposal(s) conforms in all material respects to the requirements and criteria set in the Request for Proposal and receives the highest ranked total based on the Evaluation Committee's evaluations. The City will be the sole judge as to the acceptability of the products and/or services offered.

During the evaluation process, the City of Surprise reserves the right, where it may serve the City's best interest, to request additional information or clarifications from proposers. At the discretion of the City of Surprise, firms submitting proposals may be requested to participate in interviews as part of the evaluation process.

If interviews are conducted, the Evaluation Committee will determine the Offerors best suited to meet the needs of the City based on the scoring of the evaluation criteria. These Offerors will form the "Offeror Short List" that may be invited for oral presentation.

Interviews may be conducted at City offices. Time limitations and presentation requirements will be provided with the "Offeror Short List" notification. Each Evaluation Committee member will score the interviews. Interview scores based on ranked totals will be the sole determining factor for selection.

The City may elect, at its sole option, not to conduct interviews with Offerors. The City may request additional information or clarification of Offerors and hereby reserves the right to select the particular response to this RFP that it believes will best serve its business and operational requirements, considering the evaluation criteria set forth within Section 14.

14. EVALUATION CRITERIA: The following evaluation factors are listed with the weighted percentage of importance. Topics should be addressed in the following order for ease of evaluator interpretation and evaluation. The committee will evaluate and rank the offers, based on the following criteria & weight:

a) Firm Strength, Experience & Qualifications:	10%
b) Record Keeping, Cyber Security & Custody:	10%
c) Participant Services:	20%
d) Plan Sponsor Services:	20%
e) Investment Flexibility:	15%
f) Transition Services:	5%
g) Plan Fees, Performance Guarantees & Fee Administration:	15%
h) References:	5%
Total:	100%



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15. AWARD OF CONTRACT:

- a) Unless the prospective offeror states otherwise, or unless provided within this *Request for Proposal*, the City reserves the right to award by individual line item, by group of line items, or as a total, whichever is deemed most advantageous to the City.
- b) A response to a *Request for Proposal* is an offer to contract with the City based upon the terms, conditions and specifications contained in the City's *Request for Proposal* and the written amendments thereto, if any. Proposals do not become contracts unless and until they are accepted by the City. The contract has its inception in the award document, eliminating a formal signing of a separate contract. For that reason, all of the terms and conditions of the procurement contract are contained in the *Request for Proposal*; unless modified by a Solicitation Addendum or a Contract Amendment.
- c) Notwithstanding any other provision of this *Request for Proposal*, The City expressly reserves the right to:
 - i. Waive any immaterial defect or informality;
 - ii. Reject any or all proposals, or portions thereof; or
 - iii. Reissue a *Request for Proposal*.

16. DISCUSSIONS: In accordance with the City of Surprise Procurement Code, after the initial receipt of proposals, discussions may be conducted with Offerors who submit proposals determined to be reasonably susceptible of being selected for award.

17. PROTESTS: Firms wishing to protest a disqualification or a procurement outcome may file a protest pursuant to the Arizona Administrative Code, Sections R2-7-A901 through A911. Protests must be filed with the City of Surprise Procurement Office either within 14 days of the Notice of Intent to Award or 10 days after the procurement file is made available for public inspection, whichever is later.

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SCOPE OF WORK/SERVICES**Overview:**

The City of Surprise, AZ (hereinafter "City" or "Plan Sponsor") is soliciting proposals from qualified firms (hereinafter "Proposing Firm(s)" or "Firm(s)") to provide retirement plan administration, record keeping, education, communications, investment-related, and other services for the 457(b) Deferred Compensation Plan (hereinafter "Plan").

The primary goals include the following:

- Enhancing participant retirement outcomes;
- Analyzing the overall competitiveness of the Plan;
- Providing for the integrated administration and reporting for the Plan;
- Offering the most appropriate investment menu;
- Improving participant education and communication services;
- Enhancing the formal education for the 457 Deferred Compensation Advisory Group
- Providing robust on-line transaction and information capabilities;
- Providing support for as many administrative functions as deemed appropriate;
- Evaluating alternative pricing structures;
- Reducing participant and Plan expenses;
- Providing for an orderly and timely transition of assets and services if necessary; and
- Continuing the formal record keeper/Committee working relationship.

Plan Information & Background

The City is a public agency with 860 benefit eligible employees. Employees are paid bi-weekly through one centralized payroll system and payroll is run bi-weekly for a total of 26 pay periods. The City uses internal resources for payroll processing. There are approximately 42 separate locations/buildings located throughout the City, and, in terms of employee outreach, it would be expected that a record keeper representative will need visit a selected location twice a month. It is expected that the record keeper work with the City's Human Resources Department to create an acceptable plan. This last point is important to the Committee and participants; on-site participant representative(s) delivering education and other services in-person and are highly-valued.

As of December 31, 2020, there was approximately \$44.6 million total in the Plan. Both City contributions and participant contributions are included in the figures below under "Total Deferrals." The following tables contain data as of December 31, 2020. Note that "Active Accounts" means currently contributing. As of December 31, 2020, there were 185 participants (representing approximately \$9.6 million in assets) utilizing the current provider's investment services.

See Next Page for Tables

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<u>457(b) Deferred Compensation Plan</u>	2020	2019	2018	2017
Total Assets (\$)	\$44,607,008	\$36,791,253	\$28,296,043	\$27,287,755
Total Participant Accounts (#)	1,266	1,296	1,325	1,348
Total Active (currently contributing) Accts (#)	928	994	1,062	1,124
Total Deferrals (\$)	\$3,694,476	\$3,373,049	\$3,186,552	\$3,167,981
Total Roll-Ins (#)	10	18	17	28
Total Roll-Ins (\$)	\$54,194	\$421,889	\$421,647	\$1,095,364
Total Contributions (\$)	\$3,748,670	\$3,794,938	\$3,608,199	\$4,263,345
Total Accounts in Systematic Distribution (#)	0	7	1	2
Total Systematic Distributions (\$)	\$0	\$7,426	\$133	\$1,133
Total Accts with Lump Sum Distributions (#)	82	103	106	129
Total Lump Sum Distributions (\$)	\$607,862	\$761,883	\$582,753	\$641,573
Total Annuity Purchases (#)	0	0	0	0
Total Annuity Purchases (\$)	\$0	\$0	\$0	\$0
Total Transfers to Proprietary IRAs (#)	0	0	0	0
Total Transfers to Proprietary IRAs (\$)	\$0	\$0	\$0	\$0
Total Roll-Outs (#)	14	9	12	12
Total Roll-Outs (\$)	\$722,750	\$221,957	\$450,300	\$1,222,591
Total Distributions (#)	96	119	119	143
Total Distributions (\$)	\$1,330,612	\$991,266	\$1,033,186	\$1,865,297
Total NET Cash Flow (\$)	\$2,418,058	\$2,803,672	\$2,575,013	\$2,398,048
Total Hardship Withdrawals Requested (#)	0	0	0	0
Total Hardship Withdrawals Requested (\$)	\$0	\$0	\$0	\$0
Total Hardship Withdrawals Approved (#)	0	0	0	0
Total Hardship Withdrawals Approved (\$)	\$0	\$0	\$0	\$0

INVESTMENT ALLOCATION INFORMATION

Attachment A includes a table of Plan investments and assets by fund. The date of the data is noted in the table.

SELF DIRECTED BROKERAGE OPTION:

	457(b) Plan
Brokerage Provider	Charles Schwab
Brokerage Assets	\$3,395,487
Number of Accounts	42

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MANAGED ACCOUNT SERVICE:

	457(b) Plan
Total # of Participants	185
Total Assets	\$9,616,809
Managed Account Provider	Nationwide

GUARANTEED MINIMUM WITHDRAWAL BENEFIT:

A guaranteed minimum withdrawal benefit product is not currently offered; however, the Plan Sponsor regularly evaluates plan features.

FIXED INCOME PRODUCT:

	Nationwide Guaranteed Fund	Market to Book Ratio
2020 Net Crediting Rate:	1.93%	109%
2019 Net Credited Rate:	2.27%	106%
2018 Net Credited Rate:	2.50%	100%
Guaranteed for how long?	Quarterly	-
Guaranteed Contract Floor Rate:	0.00%	-

WITHDRAWAL OR EARLY TERMINATION PROVISIONS:

If the City terminates the Nationwide Guaranteed Fund contract and withdraws its assets in a lump sum, a Market Value Adjustment (MVA) may apply. The MVA is the amount that Nationwide Life Insurance Company (NLIC), an affiliate, determines would be the net capital loss, if any, resulting to NLIC if investments were liquidated to satisfy the lump sum withdrawal. The MVA would be calculated using NLIC's current procedures applicable to all contracts of this type and class at the time of withdrawal. If the City withdraws its assets over a 60 – month period (5 – years) instead of in a lump sum, the MVA would not apply. There are no fees associated with early withdrawal at the participant level.

PLAN LOANS:

	457(b) Plan
Total dollar amount of outstanding loans	\$1,078,462
Total # of outstanding loans	158
Total # of participants with outstanding loans	123
Total # of loans in default	45
Total dollar amount of loans in default	\$419,982

PARTICIPANT EDUCATION:

	2020	2019
On-site Participant Consultant Meeting Days	*	28
Number of Group Education Meetings	*	24

*Due to the COVID-19 pandemic, Nationwide transitioned to virtual consultations and group meetings in 2020. Note: Group meeting statistics are included in the on-site service days count.

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MINIMUM QUALIFICATIONS

The City requires each Offeror responding to this RFP to certify that it meets or agrees to the following criteria:

1. The Proposing Firm must have a minimum of five (5) years of experience administering governmental Section 457 deferred compensation plans and must currently provide sole-provider administration to a minimum of three (3) Section 457 deferred compensation retirement plans with an asset size of at least \$50 million in each.
2. Any contract must stipulate that there will be no front-end charges and/or no back-end charges. In addition, there will be no restrictions or penalties associated with any Plan- or participant-initiated transfers or withdrawals (including contract termination), with the exception of capital preservation (stable value and/or Fixed or General Account) equity wash and/or put provisions, and/or mutual fund specific short-term trading fees.
3. The Proposing Firm must accurately and fully disclose all fund expense and revenue sharing arrangements associated with all funds being offered within the Plan. Fixed or General Account products will not be excluded from this requirement. Proposing Firms offering such products must provide an accurate assessment of product expenses and revenue remitted to the Proposing Firm.
4. The Proposing Firm must accurately and fully disclose all expenses and revenue associated with any service made available under the Plan. This includes services such as managed accounts, investment advice, financial planning and/or self-directed brokerage accounts.
5. The Proposing Firm must agree, under contract, not to sell and/or promote products not directly affiliated with the Plan(s) unless given specific, written authorization by the Committee to do so.
6. Upon award of the contract, the selected Proposing Firm must be duly qualified to do business in the State of AZ.
7. The Proposing Firm must be able to transition and continue administration of existing Plan loans.
8. The organization must be able to offer a self-directed brokerage option.
9. The Proposing Firm must be willing to have representatives attend Committee meetings in person as required (no more than quarterly).
10. The Proposing Firm must have knowledge of and comply with all applicable County, State of AZ and federal regulations regarding governmental retirement plans and investment options. All applicable laws of the City and the State of AZ, whether substantive or procedural, shall apply to this contract, and all statutory, charter, and ordinance provisions that are applicable to City contracts shall be followed with respect to this contract.
11. The terms outlined throughout this RFP process (within your response and any enhancements thereafter) must remain in place through negotiations and be part of the final contract unless specifically waived by the City in writing.



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STANDARD TERMS AND CONDITIONS

THE FOLLOWING TERMS AND CONDITIONS ARE AN EXPLICIT PART OF THE SOLICITATION AND ANY RESULTANT CONTRACT.

DEFINITION OF TERMS

As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:

City – is defined as the City of Surprise.

Contract – is defined as the resulting agreement between the City and the Contractor pursuant to this RFP including, but not limited to, the combination of the Solicitation, including the Special Terms and Conditions, the Standard Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation amendments or Contract Amendments.

Contract Amendment – is defined as a written document signed by the Procurement Manager that is issued for the purpose of making changes in the Contract.

Contractor – or **Vendor**, is defined as the Offeror who was awarded the Contract with the City.

Day – is defined as calendar days unless otherwise specified.

Exhibit – is defined as any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.

Gratuity – is defined as a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

Goods – are defined as articles moveable at the same of sale, including but not limited to, equipment, supplies, consumable items, commodities, materials, products, parts, assets, or the like, received by the City in the execution of a Contract.

Offer – is defined as the bid, proposal, or qualifications submitted in response to this Solicitation that may be awarded the Contract.

Offeror – is defined as the individual or legal entity that submitted the Offer to this Solicitation.

Procurement Manager – is defined as the person, or his or her designee, duly authorized by the City to enter into and administer Contracts and make written determinations with respect to the Contract.

Services – are defined as the work performed or the furnishing of labor, time or effort expended by a contractor or subcontractor, including without limitation, all work, labor, time, effort, personnel, construction, equipment, products, supplies, parts, or other materials used in the performance of the Contract. The term “Services” does not involve: the delivery of Goods or a specific end product, other than required reports and performance; employment agreements; or collective bargaining agreements.

Solicitation – is defined as this Request for Proposal (“RFP”) by which the City invites potential contractors to participate in a procurement.

Subcontract – is defined as any contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.

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 Fax: (623) 222-1801

1. **CERTIFICATION:** By signature in the Offer section of the *Offer and Acceptance Award* page, the Contractor certifies all of the following:
 - a) The submission of the Offer did not involve collusion or other anti-competitive practices;
 - b) The Contractor shall not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246; and
 - c) The Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip favor, or service to a public servant in connection with the submitted Offer. Failure to sign the Offer, or signing it with a false statement, shall void the submitted Offer or any resulting Contracts, and the Contractor may be debarred.
2. **CONTRACT:** The Contract between the City and the Contractor shall consist of (1) the Solicitation, including instructions, all terms and conditions, specifications, scopes of work, attachments, and any amendments thereto, and (2) the Offer submitted by the Contractor in response to the Solicitation. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation shall govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of the Contractor, and such written Contract shall govern in case of conflict with the applicable requirements stated in the Solicitation or the Contractor's Offer. The Solicitation shall govern in all other matters not affected by the written Contract.
3. **CONTRACT AMENDMENTS:** This Contract may be modified only by a written Contract Amendment signed by persons duly authorized to enter into contracts on behalf of the City and the Contractor.
4. **CONTRACT APPLICABILITY:** The Contractor shall substantially conform to the terms, conditions, specifications and other requirements found within the text of this specific Solicitation. All previous agreements, contracts, or other documents, which have been executed between the Contractor and the City, are not applicable to this Solicitation or any resultant Contract.
5. **NON-EXCLUSIVE CONTRACT:** Any Contract resulting from this Solicitation shall be awarded with the understanding and agreement that it is for the sole convenience of the City of Surprise. The City reserves the right to obtain like Goods and/or Services from another source when necessary. Off-Contract purchase authorization may only be approved by the City Procurement Manager. Approval shall be at the discretion of the City Procurement Manager and shall be conclusive, however, approval shall be granted only after a proper review and when deemed to be appropriate. Off-Contract procurement shall be consistent with the City Procurement Code.
6. **CONTRACT ORDER OF PRECEDENCE:** In the event of conflict in the provision of the Contract, as accepted by the City and as they may be amended, the following shall prevail in the order set forth below:
 - a) Special Terms and Conditions
 - b) Standard Terms and Conditions
 - c) Statement or Scope of Work
 - d) Specifications
 - e) Attachments
 - f) Exhibits
 - g) Documents referenced or included in the Solicitation
 - h) Proposal Submittal including any ancillary / service contract

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i) Purchase Order Terms and Conditions

7. CONFLICTING TERMS: In the event of a conflict between the Exhibits and Standard Terms and Conditions, the Standard Terms and Conditions of this Contract will govern. In the event of a conflict in language between the Solicitation and the Offer, the provisions and requirements in the Solicitation will govern. However, the City reserves the right to clarify, in writing, any contractual terms with the concurrence of Contractor, and such written Contract will govern in case of conflict with the applicable requirements stated in the Solicitation or the Contractor's Offer.

8. TERMINATION; CANCELLATION:

- a) For City's Convenience: This Contract is for the convenience of the City and may be immediately terminated without cause after receipt by the Contractor of written notice by the City. Upon termination for convenience, Contractor will be paid for all undisputed services performed up to the termination date.
- b) Conflict of Interest: This Contract is subject to the provisions of A.R.S. § 38-511. The City may cancel this Contract without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Contract on behalf of the City or any of its departments or agencies is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the Contract subject.
- c) Fund Appropriation Contingency: Contractor understands that the continuation of this Contract is subject to the budget of the City providing for the contract item as an expenditure. The City cannot assure that the budget item for funding this Contract will be approved in the future. In such event, the City may terminate this Contract.

9. DEFAULT: The City, by written notice of default to the Contractor, may terminate the whole or any part of this Contract in any one of the following circumstances:

- a) If the Contractor fails to make delivery of the Goods and/or to perform the Services within the time specified; or
- b) If the Contractor fails to perform any of the other provisions of this Contract and fails to remedy the situation within a period of ten (10) days after receipt of notice.

In the event the City terminates this Contract in whole or part, the City may procure Goods and/or Services similar to those terminated, and the Contractor shall be liable to the City for any excess costs for such similar Goods and/or Services.

10. DEFAULT IN ONE INSTALLMENT TO CONSTITUTE TOTAL BREACH: Contractor shall deliver conforming Goods in each installment of lot of this Contract and may not substitute nonconforming Goods. Delivery of nonconforming Goods or a default of any nature, at the option of the City, shall constitute a breach of the Contract as a whole.

11. GRATUITIES: The City may, by written notice to the Contractor, cancel this contract if it is found by the City that gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the City with a view toward securing an order, securing favorable treatment with respect to the awarding, amending, or the making of any determinations with respect to the performing of such order. In the event this Contract is cancelled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible City government customers shall not be prohibited by this paragraph.

12. APPLICABLE LAW; VENUE: In the performance of this Contract, Contractor will abide by and conform to any and all laws of the United States, the State of Arizona, Maricopa County (where applicable), and the City of Surprise, including

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but not limited to federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act, and any other federal, state, or local laws applicable to this Contract. This Contract is governed by the laws of the State of Arizona and suit pertaining to this Contract may be brought only in courts in the State of Arizona in Maricopa County.

- 13. LEGAL REMEDIES:** All claims and controversies shall be subject to resolution according to the terms of the City of Surprise Procurement Code.
- 14. PROVISIONS REQUIRED BY LAW:** Each and every provision of law and any clause required by law to be in the Contract will be read and enforced as though it were included and, if through mistake or otherwise, any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Contract will promptly be physically amended to make such insertion or correction.
- 15. SEVERABILITY:** The provisions of this Contract are severable. To the extent that any provision is held to be invalid by a court of competent jurisdiction, such holding will not affect any other provision of the Contract which may remain in effect without the invalid provision.
- 16. RELATIONSHIP TO PARTIES; INDEPENDENT CONTRACTOR:** Each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party may not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. Contractor is advised that taxes or Social Security payments will not be withheld from any City payments issued hereunder and the Contractor agrees to be fully and solely responsible for the payment of such taxes or any other tax applicable to this Contract. Contractor, its employees, and subcontractors are not entitled to workers' compensation benefits from the City. The City does not have the authority to supervise or control the actual work of Contractor, its employees, or subcontractors. Contractor, and not the City, will determine the time of its performance of the Services so long as Contractor meets the requirements of this Contract. Contractor is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere.
- 17. ENTIRE AGREEMENT; INTERPRETATION-PAROL EVIDENCE:** This Contract represents the entire agreement of the parties with respect to its subject matter. All previous agreements, whether oral or written, entered into prior to this Contract are hereby revoked and superseded by this Contract. No representations, warranties, inducements, or oral agreements have been made by any of the parties except as expressly set forth in this Contract. This Contract will be construed and interpreted according to its plain meaning, and no presumption will be deemed to apply in favor of or against the party drafting the Contract. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in drafting, reviewing, and entering into this Contract.
- 18. ASSIGNMENT; SUBCONTRACTOR:** No right or interest in this Contract may be assigned by Contractor without prior written permission of the City, signed by the City Manager or their designee. No delegation of any duty of the Contractor may be made without prior written permission of the City, signed by the City Manager or their designee. Any attempted assignment or delegation by the Contractor in violation of this provision is a breach of this Contract by the Contractor.
- 19. SUBCONTRACTS:** No Subcontract may be entered into by Contractor with any other party to furnish any of the Goods and/or Services specified herein without the prior written approval of the City. Contractor is responsible for performance under this Contract whether or not subcontractors are used.
- 20. RIGHTS AND REMEDIES:** No provision in this Contract may be construed, expressly or by implication, as waiver by the City of any existing or future right or remedy available by law in the event of any claim of default or breach of this Contract. The failure of the City to insist upon the strict performance of any term or condition of this Contract or to

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exercise or delay the exercise of any right or remedy provided in this Contract, or by law, or the City's acceptance of and payment for Services, will not release Contractor from any responsibilities or obligations imposed by this Contract or by law, and will not be deemed a waiver of any right of the City to insist upon the strict performance of this Contract.

- 21. INDEMNIFICATION:** To the fullest extent permitted by law, Contractor shall indemnify, defend and hold harmless the City and its council members, managers, officers, boards, commissions, officials, employees, or agents (collectively "Indemnified Party"), for, from, and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, claims processing, investigation, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), including negligence, insofar as such Claims (or actions with respect thereof) relate to, arise out of, or are caused by, or in connection with the City entering into this Contract, or the acts or omissions of any Indemnified Party acting pursuant to or in furtherance of this Contract. Contractor shall further indemnify, defend and hold harmless any Indemnified Party for, from and against any and all losses, claims, damages, liabilities, costs, and expenses (including, but not limited to, reasonable attorneys' fees, claims processing, investigation, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions with respect thereof) relate to, arise out of, or are caused by, or in connection with the negligent or willful acts or omissions of work or professional services of Contractor, its officers, employees, agents, or any tier of subcontractor in the performance of this Contract. In consideration of the award of this Contract, Contractor agrees to waive all rights of subrogation against the City, its officers, officials, agents, and employees for losses arising from the work performed by Contractor for the City. The amount and type of insurance coverage required by this Contract will in no way be construed as limiting the scope of the indemnity in this section.
- 22. OVERCHARGES BY ANTITRUST VIOLATIONS:** The City maintains that, in practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the City any and all claims for such overcharges as to the Goods and/or Services used to fulfill the Contract.
- 23. FORCE MAJEURE:** Except for payment for sums due, neither party will be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God: acts of the public enemy; war; acts of terror, hate crimes affecting public order; riots; strikes; mobilization; labor disputes; civil disorders; plague; pandemics (including without limitation, the COVID-19 pandemic); epidemics; quarantine orders or directives by a governmental entity; outbreaks of infectious disease or any other public health crisis, including without limitation, quarantine or other employee restrictions; fire; floods; lockouts, injunctions-interventions-acts, or failures or refusals to act by government authority; events or obstacles resulting from a governmental authority's response to the foregoing; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure notifies the other party of the existence of the force majeure and will be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this Contract. Force majeure will not include the following occurrences:
- a) Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, an oversold condition of the market, inefficiencies, or similar occurrences; or
 - b) Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this section.

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- 24. RIGHT TO ASSURANCE:** Whenever one party to this Contract in good faith has reason to question the other party's intent to perform, they may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.
- 25. RIGHT TO AUDIT RECORDS:** The City may, at reasonable times and places, audit the books and records of any Contractor as related to any Contract held with the City.
- 26. RIGHT TO INSPECT PLANT:** The City may, at reasonable times, inspect the part of the plant or place of business of a Contractor or subcontractor which is related to the performance of any Contract as awarded or to be awarded.
- 27. WARRANTIES:** Contractor warrants that all Goods and/or Services delivered under this Contract shall conform to the specifications of this Contract. Unless otherwise stated in Contractor's response, the City is responsible for selecting items, their use, and the results obtained from any other items used with the items furnished under this Contract. Mere receipt of shipment of the Goods/Services specified and any inspection incidental thereto by the City shall not alter or affect the obligations of the Contractor or the rights of the City under the foregoing warranties. Additional warranty requirements may be set forth in the Solicitation. Contractor warrants that the Services rendered will conform to the requirements of this Contract and to the highest professional standards in the field.
- 28. INSPECTION; ACCEPTANCE:** All work will be subject to inspection and acceptance by the City at reasonable times during Contractor's performance. All Goods and/or Services are subject to final inspection and acceptance by the City. Goods and/or Services failing to conform to the specifications of this Contract will be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. The City may elect by a written determination to do any or all of the following:
- a) Waive the non-conformance;
 - b) Stop the work immediately; and/or
 - c) Bring Goods and/or Services into compliance.
- 29. TITLE AND RISK OF LOSS:** The title and risk of loss of Goods and/or Services shall not pass to the City until the City actually receives the Goods and/or Services at the point of delivery, unless otherwise provided within this Contract.
- 30. NO REPLACEMENT OF DEFECTIVE TENDER:** Every tender of Goods and/or Services shall fully comply with all provisions of the Contract. If a tender is made which does not fully conform, this shall constitute a breach of the Contract as a whole.
- 31. SHIPMENT UNDER RESERVATION PROHIBITED:** Contractor is not authorized to ship Goods under reservation and no tender of a bill of lading will operate as a tender of the Goods.
- 32. LIENS:** All Goods and/or Services must be free of all liens and, if the City requests, a formal release of all liens must be delivered to the City.
- 33. PATENTS AND COPYRIGHTS:** All services, information, computer program elements, reports and other deliverables, which may be patented or copyrighted and created under this Contract, are the property of the City and shall not be used or released by the Contractor or any other person except with the prior written permission of the City. All documents prepared and submitted to the City by Contractor pursuant to this Contract will be the property of the City.
- 34. PREPARATION OF SPECIFICATIONS BY PERSONS OTHER THAN CITY PERSONNEL:** All specifications shall seek to

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promote overall economy for the purposes intended and encourage competition and not be unduly restrictive in satisfying the City's needs. No person preparing specifications shall receive any direct or indirect benefit from the utilization of specifications, other than fees paid for the preparation of specifications.

- 35. COST OF BID/PROPOSAL PREPARATION:** The City shall not reimburse the cost of developing presenting or providing any response to this Solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner.
- 36. PUBLIC RECORDS:** Notwithstanding any provisions of this Contract regarding confidentiality, secrets, or protected rights, Contractor acknowledges that all documents provided to the City may be subject to disclosure by laws related to open public records. Consequently, Contractor understands that disclosure of some or all of the items subject to this Contract may be required by law. In the event the City receives a request for disclosure that is reasonably calculated to incorporate information that might be considered confidential by Contractor, the City agrees to provide Contractor with notice of that request. Within ten (10) days of such notice, Contractor must inform the City in writing of any objection by Contractor to the disclosure of the requested information. Failure by Contractor to object timely will waive Contractor's ability to object under this section and will waive any remedy against the City for disclosure. In the event Contractor objects to disclosure within the time specified, Contractor agrees to handle all aspects related to the request including properly communicating with the requestor and timely responding with information. Furthermore, Contractor agrees to indemnify and hold harmless the City from any claims, actions, lawsuits, or any other controversy or remedy, in whatever form, that arises from the failure to comply with the request for information and the laws pertaining to public records, including defending the City in any legal action and payment of any penalties or judgments assessed against the City. This provision will survive the termination of this Contract.
- 37. CONFIDENTIALITY OF RECORDS:** Contractor must establish and maintain procedures and controls that are acceptable to the City for the purpose of ensuring that information contained in its records or obtained from the City or from others in carrying out its obligations under this Contract will not be used or disclosed by it, its agents, officers, or employees, except as required to perform Contractor's duties under this Contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to individual persons will not be divulged other than to employees, agents, or officers of the Contractor as needed for the performance of duties under this Contract.
- 38. CONFIDENTIAL INFORMATION:**
- a) If a person or entity believes that a bid, proposal, offer, specification, or protest contains information that should be withheld, a statement advising the Procurement Manager of this fact shall accompany the submission and the information shall be identified.
 - b) The information identified by the person or entity as confidential shall not be disclosed until the Procurement Manager makes a written determination.
 - c) The Procurement Manager shall review the statement and information and shall determine in writing whether the information shall be withheld.
 - d) If the Procurement Manager determines to disclose the information, the Procurement Manager shall inform the bidder in writing of such determination.
- 39. ADVERTISING:** Contractor shall not advertise or publish information concerning this Contract, without prior written consent of the City.
- 40. DELIVERY ORDERS:** The City shall issue a purchase order for the Goods and/or Services covered by this Contract.

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All such documents shall reference the Contract number as indicated on the *Offer and Contract Award*.

- 41. FUNDING:** Contractor understands that the continuation of this Contract after the close of any given fiscal year of the City, which ends annually on June 30, shall be subject to the budget of the City providing for the contract item as an expenditure. The City cannot assure that the budget item for funding this Contract will be approved in the future, as such assurance would be a legislative and policy determination of the City Council at the time of the adoption of the budget. Should the funding of the Contract not be approved by City Council, the City may terminate this Contract as of the close of its fiscal year. The City represents that it intends to pay all monies due, if such funds have been legally appropriated.
- 42. BILLING:** All billing notices to the City shall identify the specific item(s) being billed and the purchase order number. Items are to be identified by the name, model number, and/or serial number most applicable. Any purchase/delivery order issued by the requesting agency shall refer to the contract number resulting from this solicitation. Contractor shall submit invoices to the City of Surprise Accounts Payable Department, 16000 N Civic Center Plaza, Surprise, AZ 85374. Invoices may also be submitted electronically to accountspayable@Surpriseaz.gov. Within sixty (60) calendar days following the completion of Goods delivered and/or Services rendered, or specific orders thereof, under this Contract, Contractor shall submit to the City all such purchase or delivery orders in order for the City to issue applicable payment(s).
- 43. PAYMENT:** The City will pay Contractor subject to Contractor submitting an invoice to the City for each requested payment. Invoices will itemize all Goods provided and/or Services completed up to the date of the invoice and provide sufficient detail about the Services completed to support the payment requested. Upon approval of the invoice, the City will pay the invoiced amount to Contractor. Payment Terms shall be Net 30, and the Offeror shall not require the City to set up any credit services of any nature whatsoever.
- 44. COMPLIANCE WITH FEDERAL IMMIGRATION LAWS AND REGULATIONS:** Contractor warrants that it complies with, and shall ensure that its subcontractors comply with, all federal immigration laws and regulations that relate to its employees and that it complies with A.R.S. § 23-214(A). Contractor acknowledges that pursuant to A.R.S. § 41-4401, a breach of this warranty is a material breach of this Contract subject to penalties up to and including termination of this Contract, and that the City retains the legal right to inspect the papers of any employee who works on the Contract to ensure compliance with this warranty.
- 45. PROHIBITION ON BOYCOTT OF ISRAEL:** Contractor hereby certifies that it does not, and will not, participate in during the term of this Contract, a boycott of Israel in accordance with A.R.S. §35-393.01. Contractor hereby agrees to indemnify and hold harmless the City, its agents and employees from any claims or causes of action relating to the City's action based upon reliance upon this representation, including the payment of all costs and attorney fees incurred by the City in defending such an action.
- 46. LAWS AND REGULATIONS:** Contractor must at all times during the performance of its duties under this Contract ensure that it and any person for whom Contractor is responsible remains in compliance with all rules, regulations, ordinances, statutes, or laws affecting the Services, including, without limitation, existing and future: (i) City and County ordinances and regulations, (ii) state and federal laws, and (iii) Occupational Safety and Health Administration standards. Further, Contractor shall comply with, and shall ensure that any person for whom Contractor is responsible shall comply with, all laws regarding privacy of information, including, without limitation, compliance with the Health Insurance Portability and Accountability Act of 1996, as revised ("HIPAA").
- 47. CONTRACTOR PERSONNEL:** Contractor will provide adequate, experienced personnel capable of and devoted to the successful completion of the Services within the term of this Contract.

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- 48. LICENSES; MATERIALS:** Contractor must maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by Contractor. The City has no obligation to provide Contractor, its employees, or subcontractors any business registrations or licenses required to perform the specific Services set forth in this Contract. The City has no obligation to provide tools, equipment, or material to Contractor.
- 49. CITY OF SURPRISE BUSINESS LICENSE:** The Surprise Municipal Code requires that all persons conducting business in the City of Surprise must first obtain a license. This includes businesses within the Surprise city limits, or those outside the limits who conduct business or perform services within Surprise.
- 50. ATTORNEYS' FEES:** In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Contract or on account of any breach or default hereof, the prevailing party is entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which will accrue on the commencement of such action and will be enforced whether or not such action is prosecuted through judgment.



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SPECIAL TERMS AND CONDITIONS

1. **PURPOSE:** Pursuant to provisions of the City Procurement Code, the City's Procurement Division intends to establish a Contract for 457(b) Deferred Compensation Plan Services.
2. **AUTHORITY:** This Solicitation, as well as any resultant Contract, is issued under the authority of the City Procurement Manager. No alteration of any resultant Contract may be made without the express written approval of the City Procurement Manager in the form of an official Contract Amendment. Any attempt to alter any Contract without such approval is a violation of the Contract and the City Procurement Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, Contract cancellation, suspension and/or debarment of the Contractor.
3. **OFFER ACCEPTANCE PERIOD:** In order to allow for an adequate evaluation, the City requires an Offer in response to this Solicitation to be valid and irrevocable for one hundred twenty (120) days after the opening time and date.
4. **TERM OF CONTRACT:** The term of any resultant Contract shall commence on the date of award and shall continue for a period of five (5) years thereafter, unless terminated, cancelled or extended as otherwise provided herein.
5. **CONTRACT EXTENSION:** By mutual written Contract Amendment, any resultant Contract may be extended for supplemental periods of up to eighty-four (84) months and may be extended to a total maximum of one hundred twenty (120) months. Contract extensions will be evaluated at the 5 year mark, and then again at the 7 year mark by the City before any extensions are issued to ensure competitiveness within the current market conditions.
6. **CONTRACT TYPE:** Firm Fixed Price
7. **MULTIPLE AWARD:** In order to assure that any ensuing Contracts will allow the City to fulfill current and future requirements, the City reserves the right to award Contracts to multiple companies. The actual utilization of any Contract will be at the sole discretion of the City. The fact that the City may make multiple awards should be taken into consideration by each potential Offeror.
8. **ESTIMATED QUANTITIES:** This Solicitation references quantities as a general indication of the needs of the City. The City anticipates considerable activity resulting from Contracts that will be awarded as a result of this Solicitation; however, the quantities shown are estimates only and the City reserves the right to increase or decrease any quantities actually acquired.

No commitment of any kind is made concerning quantities and that fact should be taken into consideration by each potential Offeror.
9. **PRICE ADJUSTMENT:** RESERVED
10. **PRICE REDUCTION:** A price reduction adjustment may be offered at any time during the term of a Contract and shall become effective upon notice.
11. **ELIGIBLE AGENCIES:** Any Contract resulting from this Solicitation shall be for the use of all City of Surprise departments, divisions, agencies, boards, and commissions.
12. **COOPERATIVE PURCHASING:** RESERVED
13. **AFFIRMATIVE ACTION REPORT:** It is the policy of the City of Surprise that suppliers of Goods and/or Services to the City adhere to a policy of equal employment opportunity and demonstrate an affirmative effort to recruit, hire, and promote regardless of race, color, religion, gender, national origin, age or disability.
14. **INSURANCE REQUIREMENTS:**



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Insurer Qualifications. Without limiting any obligations or liabilities of Contractor, Contractor must purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies duly licensed by the State of Arizona with an A.M. Best, Inc. rating of A- or above with policies and forms satisfactory to the City. Failure to maintain insurance as specified herein may result in termination of this Agreement Contract at the City's option.

No Representation of Coverage Adequacy. By requiring insurance herein, the City does not represent that coverage and limits will be adequate to protect Contractor. The City reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement Contract but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement Contract or failure to identify any insurance deficiency will not relieve Contractor from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Contract.

Insurance Requirements. Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

Minimum Scope and Limits of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

i. Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

General Aggregate	\$4,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability – Written and Oral	\$1,000,000
Fire Legal Liability	\$ 50,000
Each Occurrence	\$2,000,000

The policy shall be endorsed to include the following additional insured language: *"The City of Surprise, its departments, agencies, boards, commissions, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor".*

Policy shall contain a waiver of subrogation against the City of Surprise, its departments, agencies, boards, commissions, and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

ii. Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

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Combined Single Limit (CSL)**\$1,000,000**

The policy shall be endorsed to include the following additional insured language: *"The City of Surprise, its departments, agencies, boards, commissions, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor".*

Policy shall contain a waiver of subrogation against the City, as departments, agencies, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

iii. Worker's Compensation and Employers' Liability

The policy must include Workers' Compensation Statutory Employers' Liability Coverage

Each Accident**\$ 500,000****Disease – Each Employee****\$ 500,000****Disease – Policy Limit****\$1,000,000**

Policy shall contain a waiver of subrogation against the City of Surprise, its departments, agencies, boards, commissions, and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

iv. Professional Liability (Errors and Omissions Liability)

Policy must include professional liability coverage.

Each Claim**\$2,000,000****Annual Aggregate****\$4,000,000**

In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy will precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

The policy must cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this Contract.

v. Cyber Liability

The policy must include cyber liability coverage.

Each occurrence**\$2,000,000****Annual Aggregate****\$4,000,000****Additional Insurance Requirements: The policies shall include, and be endorsed to include, the following provisions:**

The City of Surprise, its departments, agencies, boards, commissions, officers, officials, agents, and employees wherever additional insured status is required. Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.

- a) **Contractor's Coverage is Primary:** The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

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- b) **Notice of Cancellation:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given from the Contractor to the City. Such notice shall be sent directly to the City's Risk Management and Procurement divisions.
- c) **Acceptability of Insurers:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- d) **Verification of Coverage:** Contractor shall furnish the City with a declarations page of the liability insurance policy, as well as any amendments or riders in order to verify contractual insurance requirements are being satisfied. At a minimum, Contractor shall provide the following endorsements: (i) Additional Insured; (ii) Primary and Non-Contributory; and (iii) Waiver of Subrogation.

All certificates and endorsements are to be received and approved by the City's Risk Management and Procurement divisions before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to the City Procurement division. The City project/Contract number, if applicable, and project description shall be noted on the certificate of insurance. The City reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

Subcontractors: Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above. Contractor shall ensure for any subcontractor policy required under this Contract and for any policy required by a Subcontract between Contractor and each subcontractor, the subcontractors' certificates of insurance shall list the "City of Surprise" as the Certificate Holder and as an additional insured (and any other entities that are required to be listed as such), and shall identify in each certificate of insurance's description: (i) this Contract by Contract Number, and (ii) any Subcontract between the subcontractor and Contractor related to that subcontractor's work under this Contract.

Approval: Any modification or variation from the *insurance requirements* in this Contract shall be made by the City, whose decision shall be final. Such action will not require a formal Contract Amendment, but may be made by administrative action.

15. BID BOND: RESERVED

16. PERFORMANCE BOND: RESERVED

17. PAYMENT BOND: RESERVED

18. LIEN WAIVER RELEASE: RESERVED

19. LIQUIDATED DAMAGES: If liquidated damages are assessed, such damages shall be calculated at the rate specified in the Maricopa Association of Governments ("MAG") Section 108.9 per calendar day.

- a. If the Contract is not terminated, the Contractor shall continue performance and be liable to the City for the liquidated damages until the Goods are delivered and/or Services performed.

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- b. In the event the City exercises its right of termination, the Contractor shall be liable to the City for any excess costs, and in addition, for liquidated damages until such time the City may reasonably obtain delivery or performance of similar Goods or Services.

20. KEY PERSONNEL: It is essential that the Contractor provide adequate experienced personnel, capable of and devoted to the successful accomplishment of work to be performed under this Contract. The Contractor must agree to assign specific individuals to the key positions.

- a. The Contractor agrees that, once assigned to work under this Contract, key personnel shall not be removed or replaced without written notice to the City.
- b. If key personnel are not available for work under this Contract for a continuous period exceeding thirty (30) calendar days, or are expected to devote substantially less effort to the work than initially anticipated, the Contractor shall immediately notify the City, and shall, subject to the concurrence of the City, replace such personnel with personnel of substantially equal ability and qualifications.

21. MANUFACTURER'S REPRESENTATIVE: Offerors who submit an Offer as a manufacturer's representative must supplement the Offer with a letter from each manufacturer involved, certifying that the Offeror is a bona fide dealer for the specific equipment presented, that the Offeror is authorized to submit an Offer on such equipment, and guarantees that should the Offeror fail to satisfactorily fulfill any obligations established as a result of the anticipated contract awards, the manufacturer, upon assignment by the City, will either assume and discharge such obligations or provide for their competent assumption by one or more bona fide dealers for the balance of the Contract period.

22. MAINTENANCE: RESERVED

23. ORDERING PROCESS: Upon award of a Contract by the City, the City's Procurement Division may procure the specific Goods and/or Services awarded by the issuance of a purchase order to the appropriate Contractor. The award of a Contract shall be in accordance with the City of Surprise Procurement Code (referred to as the "Code" for this section) and all transactions and procedures required by the Code for public bidding have been complied with. A purchase order for the awarded Goods and/or Services that cites a valid current Contract is the only document required for the City to order and the Contractor to deliver the Goods and/or Services.

Any attempt to represent any Goods and/or Services not specifically awarded as being under contract with the City of Surprise is a violation of the Contract and the Code. Any such action is subject to the legal and contractual remedies available to the City inclusive of, but not limited to, Contract cancellation, suspension, and/or debarment of the Contractor.

24. CURRENT PRODUCTS: All Goods offered in response to this Solicitation shall be new and in current and ongoing production, shall have been formally announced for general marketing purposes, shall be a model or type currently functioning in a user (paying customer) environment, and shall be capable of meeting or exceeding all specifications and requirements set forth in this Solicitation.

25. PRODUCT DISCONTINUANCE: The City may award contracts for particular products and/or models of equipment as a result of this Solicitation. In the event that a product or model is discontinued by the manufacturer, the City at its sole discretion may allow the Contractor to provide a substitute for the discontinued item. The Contractor shall request permission to substitute a new product or model and provide all of the following:

- a. A formal announcement from the manufacturer that the product or model has been discontinued;
- b. Documentation from the manufacturer that names the replacement product or model;

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- c. Documentation that provides clear and convincing evidence that the replacement meets or exceeds all specifications required by the Solicitation;
 - d. Documentation that provides clear and convincing evidence that the replacement will be compatible with all the functions or uses of the discontinued product or model; and
 - e. Documentation confirming that the price for the replacement is the same as or less than the discontinued product or model.
- 26. INVENTORY:** The City of Surprise has an ongoing requirement for the Goods indicated in this Solicitation. It is an express condition of any award that a Contractor shall maintain a reasonable stock on hand for delivery to the City. Failure to maintain such a stock may result in cancellation.
- 27. SERIAL NUMBERS:** Offers shall be for equipment on which the original manufacturer's serial number has not been altered in any way. Throughout the contract term, the City reserves the right to reject any altered equipment.
- 28. DEMONSTRATION MODELS:** All Offerors are hereby notified that demonstration units of the equipment offered shall be available in Phoenix. The City's Procurement Division must arrange a time and place for equipment demonstrations for the purpose of evaluation. Demonstrations shall be performed at no expense to the City.
- 29. BRAND NAMES:** Any manufacturer's names, trade names, brand names or catalog numbers used in the specifications are for the purpose of describing and establishing the quality level, design and performance desired. Such references are not intended to limit or restrict bidding by other vendors but are intended to establish the quality, design or performance which is desired. Any Offer which proposes like quality, design or performance will be considered.
- 30. SAFETY STANDARDS:** All items supplied on this Contract will comply with the current applicable federal and State Occupational Safety and Health Standards, the National Electric Code, and the National Fire Protection Association Standards. Contractor will be responsible for ensuring that the above-referenced safety standards are met and acknowledges that Contractor has general supervisory authority over the worksite, including the power to correct safety and health violations. This would include the power to require subcontractors to correct violations of the above-referenced. Contractor is responsible for how frequently and closely Contractor needs to inspect to meet the standard of reasonable care for the above-referenced safety standards.
- 31. DESCRIPTIVE LITERATURE:** All Offerors shall include complete manufacturers' descriptive literature regarding the equipment they propose to furnish. Literature shall be sufficient in detail in order to allow full and fair evaluation of the Offer submitted. Failure to include this information may result in the Offer being rejected.
- 32. USAGE REPORT:** It is an express condition of any award that the Contractor shall provide the City's Procurement Division with a quarterly report delineating the number of items by type and the dollar value of acquisitions for each department.
- 33. SHIPPING TERMS:** Prices shall be F.O.B. Destination Pre-Paid and Allowed to the delivery location designated herein. Contractor shall retain title and control of all Goods until they are delivered and the contract of coverage has been completed. All risk of transportation and all related charges shall be the responsibility of the Contractor. All claims for visible or concealed damage shall be filed by the Contractor. The City will notify the Contractor promptly of any damaged goods and shall assist the contractor in arranging for inspection.
- 34. DELIVERY:** RESERVED

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- 35. TAXES:** Prices offered shall not include applicable State and local taxes. The City will pay all applicable taxes. Taxes must be listed as a separate item on all invoices. The City of Surprise is exempt from Federal Excise Tax, including the Federal Transportation Tax.
- 36. PAYMENT:** Payment terms are Net 30 from receipt of a correct invoice as deemed by the City. The City will make every effort to process payment for the purchase of goods or services within thirty (30) calendar days after receipt of said goods and/or services and a correct notice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Invoices will itemize all goods and/or services completed up to the date of the invoice and provide sufficient detail about the services completed to support the payment requested.
- 37. WARRANTY:** RESERVED
- 38. TRAINING:** The contractor shall install the equipment and provide training to City personnel for proper operation and utilization. Necessary manuals are to be furnished with each piece of equipment.
- 39. SAMPLES:** RESERVED
- 40. IDENTITY THEFT PREVENTION:** The Contractor shall establish and maintain Identity Theft policies, procedures and controls for the purpose of assuring that “personal identifying information,” as defined by A.R.S. § 13-2001(10), as amended, contained in its records or obtained from the City or from others in carrying out its responsibilities under the Contract, is protected at all times and shall not be used by or disclosed to unauthorized persons. Persons requesting such information should be referred to the City. Contractor also agrees that any “personal identifying information” shall not be disclosed other than to employees or officers of Contractor as needed for the performance of duties under the Contract. Contractor agrees to maintain reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft. Contractor is required under this contract to review the City of Surprise’s Identity Theft Program and to report to the Program Administrator any Red Flags as defined within that program. At a minimum, the contractor will have the following Identity Theft procedures in place:
- Solicit and retain only the “personal identifying information” minimally necessary for business purposes related to performance of the Contract.
 - Ensure that any website used in the performance of the contract is secure. If a website that is not secure is to be used, the City shall be notified in advance before any information is posted. The City reserves the right to restrict the use of any non-secure websites under this contract.
 - Ensure complete and secure destruction of any and all paper documents and computer files at the end of the contract’s retention requirements.
 - Ensure that office computers are password protected and that computer screens lock after a set period of time.
 - Ensure that offices and workspaces containing customer information are secure.
 - Ensure that computer virus protection is up to date.
- 41. CONFIDENTIALITY AND OWNERSHIP OF RECORDS, INFORMATION AND DATA:** Contractor must establish and maintain procedures and controls that are acceptable to the City for the purpose of ensuring that information contained in its records, on its servers or any cloud-based storage solution, or obtained from the City or from others in carrying out its obligations under this Contract will not be used or disclosed by Contractor, its agents, officers, or employees, except as required to perform Contractor’s duties under this Contract. Persons requesting such information should be referred to the City. Contractor also agrees that any information pertaining to

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individual persons will not be divulged other than to employees, agents, or officers of the Contractor as needed for the performance of duties under this Contract. Contractor understands and agrees that any and all customer information, meter reads, and/or consumption history obtained by Contractor in the performance of this Contract are the sole and exclusive property of the City of Surprise. The City of Surprise exclusively owns and controls said information, meter reads and/or consumption history, and/or other information or data, regardless of where or how Contractor elects to collect or store said information or data.



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PROPOSAL QUESTIONNAIRE

Responses are to be kept clear and concise. Questions that are marked with a (Yes/No) response require an explanation only if requested. If no explanation is requested, these questions will be recorded as a Yes/No response, and no consideration will be given to an explanation. For questions that do request an explanation, please be succinct in your response and limit any description to the primary and most important aspects related to the specific question/request.

In some cases, the questions include a table that requires completion. Proposing Firms may create their own table that replicates the table in the RFP document, though it should not take up any more space in the RFP response than the sample table. Reprint each question/request such that it precedes your written response. For the items that request responses to multiple questions, separately space or separately bullet the responses to each question. There are also questions in the RFP Questionnaire that require a description and/or samples to be provided in a separate Proposing Firm Exhibit Folder. Please pay particular attention to these questions and provide the requested information in a separate Exhibit Folder accordingly.

The following is the required order of your response along with any page limit. Do not include any exhibits that were not specifically requested in the RFP.

- Tab 1 Cover letter **(2 page limit)**
- Tab 2 Proposal Questionnaire for Sections A-F **(50 page limit)**
- Tab 3 Exhibit 1: Insurance Rating Agency Report
- Tab 4 Exhibit 2: SOC 1 Audit Reports
- Tab 5 Exhibit 3: Control Objective Results
- Tab 6 Exhibit 4: Sample Quarterly Participant Statement
- Tab 7 Exhibit 5: Fee Disclosure Sample
- Tab 8 Exhibit 6: Capital Preservation Fund Fact Sheet
- Tab 9 Exhibit 7: List of Proprietary and Alliance Funds
- Tab 10 Exhibit 8: Sample Participant Brokerage Statement
- Tab 11 Exhibit 9: Sample Transition Plan
- Tab 12 City of Surprise Other Required Forms

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A. FIRM STRENGTH, EXPERIENCE AND QUALIFICATIONS

- A1.** Provide a single main contact for all matters related to this RFP.

Name:	
Title:	
Address:	
City, State:	
Phone:	
E-mail:	

- A2.** Complete the chart indicating the year you were founded and began offering administration services:

Firm was founded:	
457 public sector plans:	
401 public plans:	
Healthcare trusts:	

- A3.** Complete the chart describing your business.

Public or privately held:	
Parent location:	
Business structure:	
Parent company name:	
Number of subsidiaries:	

- A4.** Complete the following chart showing total company revenue and retirement plan services revenue.

Year	Total Company Revenue (\$)	Retirement Plan Services Revenue (\$)
2020		
2019		
2018		
2017		

- A5.** List your insurance policies and limits applicable to the solicitation.

POLICY TYPE	Policy Limit	Deductible	Underwriter
Errors & Omissions			
Directors & Officers			
General Liability			
Financial Instl. Bond			
Cyber Security			
Workman Comp			
Auto			

- A6.** As of the RFP issue date, were there any discussions or pending agreements to purchase another organization, or to sell or merge any part of your organization? Any ownership changes in the last 5 years? (Yes/No) If yes, explain.



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	Yes/No	Year	Brief Description (50 word limit per line)
Purchase:			
Merge:			
Sell:			
Ownership Changes:			

A7. Has your organization ever filed for bankruptcy or otherwise become insolvent? (Yes/No)

	Yes/No	Date
Bankruptcy		
Insolvent		

A8. Has your organization ever breached a financial covenant on a loan or other liability? (Yes/No)

	Yes/No	Date
Covenant/Liability		

A9. If your organization or parent company has a credit rating, provide your ratings from the organizations listed below. For insurance companies, include the financial strength rating, as well as your counterparty credit rating. If rated by some other service, provide the organization name and rating. If your company and/or subsidiary unit is rated by an outside agency, provide only the most recent rating agency report and label it **Exhibit 1**.

Rating Organization	Financial Rating	Financial Strength Rating	Counterparty Credit Rating	Date of Last Rating
Fitch:				
Moody's:				
S&P:				
Other:				

A10. Provide the following key financial information for your company for their last two calendar or fiscal year end:

FINANCIAL METRICS	2020	2019
Total Revenue:		
Net Income:		
Current Ratio:		
Quick Ratio:		
Debt to Equity Ratio:		

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Case and Number:	State Venue	Year Filed	Civil/ Criminal	Litigation Amount	Status (pending/settled/closed)

Investigation(s)	Brief Description (limit 100 words)

Other(s)	Brief Description (limit 100 words)

Company/Individual Name(s)	Year	Regulatory Agency	Violation

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Contractor/Individual Name(s)	Year	Regulatory Agency	Violation

A14. Complete the following table with total number of employees represented by each:

TOTAL NUMBER OF EMPLOYEES (#)	2020	2019	2018	2017	2016
Firm employees:					
Working on DC plans:					
Solely serving public sector plans:					

A15. Complete the following table regarding plan usage for each:

Total assets invested in the Firm's proprietary investment products by DC plans for which you provide recordkeeping:	
Total assets invested in non-proprietary investment products within DC plans for which you record keep:	
Total assets invested in the Firm's Managed Account Program:	
% of governmental <u>plans</u> using managed accounts:	
% of governmental <u>participants</u> using managed accounts:	
Average govt. participant utilization rate as a % for those plans offering Managed Accounts:	

A16. Complete the following tables for Public Sector retirement plan clients you recordkept:

TOTAL ASSETS (\$)	2020	2019	2018	2017	2016
All Defined Contribution					
457					
401(a)					
401(k)					
PST plans					
Healthcare Trusts					

TOTAL PARTICIPANTS (#)	2020	2019	2018	2017	2016
All Defined Contribution					
457					
401(a)					
401(k)					
PST plans					
Healthcare Trusts					

A17. Complete the following tables for Public Sector 457 DC retirement plan participants you recordkept:

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Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole- Provider Plans
Under 150 participants:			
150 to 500 participants:			
501 to 2,500 participants:			
2,501 to 5,000 participants:			
5,001 to 10,000 participants:			
Over 10,000 participants:			
TOTAL			

Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole Provider Plans
Under \$10 million:			
\$10 million to \$100 million:			
\$101 million to \$200 million:			
\$201 million to \$500 million:			
Over \$500 million:			
TOTAL			

A18. Complete the following tables for Public Sector 401(a) DC retirement plan participants you recordkeep:

Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole- Provider Plans
Under 150 participants:			
150 to 500 participants:			
501 to 2,500 participants:			
2,501 to 5,000 participants:			
5,001 to 10,000 participants:			
Over 10,000 participants:			
TOTAL			

Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole Provider Plans
Under \$10 million:			
\$10 million to \$100 million:			
\$101 million to \$200 million:			
\$201 million to \$500 million:			
Over \$500 million:			
TOTAL			

A19. Complete the following tables for Public Sector 401(k) DC retirement plan participants you recordkeep:

Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole- Provider Plans
Under 150 participants:			



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Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole- Provider Plans
150 to 500 participants:			
501 to 2,500 participants:			
2,501 to 5,000 participants:			
5,001 to 10,000 participants:			
Over 10,000 participants:			
TOTAL			

Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole Provider Plans
Under \$10 million:			
\$10 million to \$100 million:			
\$101 million to \$200 million:			
\$201 million to \$500 million:			
Over \$500 million:			
TOTAL			

A20. Complete the following tables for Public Sector Healthcare Trusts you recordkept:

Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole- Provider Plans
Under 100 participants:			
101 to 250 participants:			
251 to 500 participants:			
501 to 1,000 participants:			
1,001 to 5,000 participants:			
Over 5,000 participants:			
TOTAL			

Data as of 2020	Total # of Plans	Total \$ Plan Assets	# of Sole Provider Plans
Under \$5 million:			
\$5 million to \$10 million:			
\$10 million to \$50 million:			
\$50 million to \$100 million:			
Over \$100 million:			
TOTAL			

A21. Complete the following table regarding the number of public sector defined contribution retirement plans (irrespective of entity type) you have won/lost. This response should include cases in which you elected not to re-bid and should not include cases in which you were retained with no meaningful growth in assets upon retention.

Clients Won	2020	2019	2018	2017	2016	2015
Under \$20 million:						
\$20 million to \$100 million:						
\$101 million to \$200 million:						
\$201 million to \$500 million:						

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Clients Won	2020	2019	2018	2017	2016	2015
Over \$500 million:						
Total						

Clients Lost	2020	2019	2018	2017	2016	2015
Under \$20 million:						
\$20 million to \$100 million:						
\$101 million to \$200 million:						
\$201 million to \$500 million:						
Over \$500 million:						
Total						

- A22.** Does your organization have any affiliations with, or endorsements from, any public or private organizations and/or industry groups, etc.? (Yes/No) If yes, describe the relationship, and include a description of whether or not it is a monetary relationship.

Organization Name	Monetary Relationship (Y/N)	Amount of Contribution	Length of Relationship



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B. RECORD KEEPING, CYBER SECURITY AND CUSTODY**RECORD KEEPING:**

B1. Complete the table below regarding your recordkeeping system:

	Response
Is your recordkeeping system proprietary? (Yes/No):	
Used since:	
Number of participants on the system:	
Number of plans on the system:	
Is the system server-based or mainframe-based?	

B2. Provide a copy of the Firm's SOC 1 and SOC 2 audit reports. Include copies in the Exhibit Folder and label it **Exhibit 2**.

B3. Provide control objective results from your most recent system audit, including number of exceptions or deviations noted. Include a copy in the Exhibit Folder and label it **Exhibit 3**.

B4. Will you provide access, with reasonable notice, to parties authorized by the Plan Sponsor for the purpose of performing any audit or reviews that are deemed necessary?

☐ Yes ☐ No

B5. Are there particular file formats that must be utilized when submitting payroll contributions and loan deduction data to your Firm? List the formats.

☐ Yes ☐ No

File Format/Transfer File Protocols Options	
--	--

B6. What is the daily deadline time in the Plan Sponsor's time zone for you to receive the contribution file and funds and complete the investment of those contributions into the appropriate fund(s)?

Daily time deadline	
---------------------	--

B7. As it relates to your record keeping system, what is the timeframe for participants to report errors after discovery?

# of days to report error	
---------------------------	--

B8. Will you agree to make participants and/or the Plan(s) whole for any and all record keeping and/or administrative errors within your control and is there any limit? (Yes/No)

Make participants/Plan whole for errors (Y/N)	
Dollar limit	
Time limit	

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B9. Can your Firm tier the investment menu (meaning break up the core menu into sections with asset allocation funds in one tier and the core menu in another) on paper forms? (Yes/No) On the website/mobile? (Yes/No)

Paper forms: ☐ Yes ☐ No

Website/mobile: ☐ Yes ☐ No

B10. Does your Firm offer a Roth 457 account deferral feature? (Yes/No)

☐ Yes ☐ No

B11. Does your Firm offer a Roth 457 in-service account conversion feature? (Yes/No)

☐ Yes ☐ No

B12. If a participant is contributing to both traditional pre-tax and Roth after-tax, can they choose a different investment allocation for each (traditional versus Roth)? (Yes/No)

☐ Yes ☐ No

B13. Does your self-directed option allow participants a traditional or ROTH account choice?

☐ Yes ☐ No

B14. Does your self-directed option allow participant to have a traditional and ROTH account concurrently?

☐ Yes ☐ No

B15. Do your participant statements show pre-tax and Roth after-tax contributions separately so participants can track these investments separately?

☐ Yes ☐ No

No

B16. Is your Firm able to process salary deferrals in the form of both percentages and dollar amounts?

☐ Yes ☐ No

B17. Is your Firm able to move to paperless enrollment? (Yes/No) If yes, please briefly describe the process and what would be required of the Plan Sponsor.

☐ Yes ☐ No

Description:
(100 word limit)

B18. Is your Firm able to move to paperless statements? (Yes/No) If yes, please briefly describe the process and what would be required of the participant(s).

☐ Yes ☐ No

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Description:
(100 word limit)

B19. Could paperless statements be a default setting? (Yes/No)

☐ Yes ☐ No

CYBER SECURITY:

B20. Briefly describe your data security process. Include a brief description of how access to participant data (current and archived) is controlled and monitored (i.e., who specifically can view participant account data, who can print this data, who can remove this data from your facility either on a laptop, flash drive, CD or as a printed report).

Description:
(300 word limit)

B21. How often are your systems backed-up?

Frequency of back-ups

B22. Has your firm made any changes to data security as a result of the COVID-19 pandemic? If yes, explain

☐ Yes ☐ No

Description:
(100 word limit)

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B23. Are your systems backed-up offsite and if so where are the location(s)?

☐ Yes ☐ No

Location 1:	
Location 2:	
Location 3:	
Location 4:	

B24. Do you encrypt data in storage and transit? What type of data is encrypted?

☐ Yes ☐ No

Type of data encrypted: (100 word limit)	
---	--

B25. How many system security breaches has your organization experienced in the last three years? How many were under the current system?

Number of breaches in 3 years	
Number on current system	

B26. Which external vendors and business partners for this procurement would you share participant information with?

Describe: (100 word limit)	
---------------------------------------	--

B27. What participant information do you share with external vendors or business partners?

Describe: (100 word limit)	
---------------------------------------	--

B28. How frequently is the security of your data audited? State the date of the most recent verification and the party that performed it and provide a summary of the assessment outcome.

Frequency of audit	
Date of last audit	

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Summary:
(100 word limit)

B29. What account security features do you offer to protect participant accounts?

Multi-factor log-in (yes/no)	
Unique (non-SS#) login (yes/no)	
Frequency of password changes	
Minimum Password length	

B30. If a participant account is breached, do you provide third party account monitoring services? Who is the vendor? What is the length of the service offered?

Do you provide third party service (Yes/No)	
Which vendor	
Length of service	

B31. What is your firm's policy for reimbursing participants who have lost assets from their plan accounts due to cyber-security events (hacking, etc.) and/or fraudulent activity? Describe any limits on losses that may apply at the Participant or Plan level. Limit your response to 100 words.

Policy:
(100 word limit)

CUSTODY:

B32. Who would provide trustee/custodial services to the Plan? What is the length of your relations with the trustee/custodial service provider?

Provider name	
Length of relationship	

B33. Provide a listing of the custodian's insurance coverage in the specific categories provided in the table below.

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POLICY TYPE	Policy Limit	Deductible	Underwriter
Errors & Omission			
Directors & Officers			
General Liability			
Financial Instl. Bond			
Cyber Security			
Workman Comp			
Auto			
Other(s)			

B34. Does your firm offer a standard or model trust agreement?

☐ Yes ☐ No

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C. PARTICIPANT SERVICES**ON-LINE ADVICE / MANAGED ACCOUNT SERVICES:**

- C1.** If requested, will your Firm offer an on-line advice and/or managed account service to the Plan Sponsor's participants? (Yes/No) If yes, complete the table below.

	On-line Advice Service	Managed Account Service
Service provider:		
Name of service:		
Used since:		
Total number of public sector participants utilizing service:		
Total number of public sector plans utilizing service:		
Total amount of public sector assets in the service:		
Average participant utilization rate per plan:		

- C2.** Could the Plan Sponsor choose to exclude the managed account service and offer only online advice?
☐ Yes ☐ No
- C3.** Can your Firm offer managed accounts only to retirees and separated participants?
☐ Yes ☐ No
- C4.** Does your firm provide a managed account service that is specifically designed for retirees, including those who are taking distributions?
☐ Yes ☐ No
- C5.** Does the distribution model used in the managed account service allow for distributions to be paid from a specific investment option (i.e., Stable Value)?
☐ Yes ☐ No
- C6.** Will the representative(s) assigned to serve the Plan Sponsor's participants provide counseling that includes using the on-line investment advice tool to help participants select an appropriate investment allocation?
☐ Yes ☐ No
- C7.** Will your Firm, or the investment advice provider that you are partnered with, assume fiduciary responsibility for the investment advice given to participants?
☐ Yes ☐ No
- C8.** If your Firm will partner with another firm to provide investment advice, internet-based or otherwise, will the Plan Sponsor be required to contract separately with that firm?
☐ Yes ☐ No

COMMUNICATION AND EDUCATION:

- C9.** How many on-site service representatives are being proposed for servicing this Plan Sponsor?

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Number of on-site service representative(s)

- C10.** Complete the following for the primary service representative that would be assigned to the Plan Sponsor to directly interact with participants.

	Representative #1	Representative #2
Name:		
Years at Firm:		
Years in industry:		
Location (City, State):		
Total number of client accounts serviced:		
Total assets serviced:		
Total number of participants serviced:		
Highest Academic degree Achieved:		
Professional Credential(s):		
FINRA/Insurance License(s):		
Typical work schedule (days and hours):		
Contracted turnaround time for returning emails and/or phone calls:		

- C11.** If applicable, what certifications, licenses and training are the individuals who provide participant investment advice required to obtain (e.g. Series, 7, 63, 65, insurance licenses, etc.)? Please only state required certifications and distinguish between local (on-site) participant representatives and home office (call center) participant representatives.

	On-Site (Y/N)	Call Center (Y/N)
FINRA Series 7		
FINRA Series 63		
FINRA Series 65		
CFP		
CFA		
Other(s)		

- C12.** What FINRA/insurance licenses are required for on-site participant service representatives?

Required FINRA Series	
Required Insurance Licenses	

- C13.** Do any of these individuals assigned to this procurement have any U-4s or Disclosure Events listed with FINRA?

☐ Yes ☐ No

- C14.** Will your Firm provide online investment advice with assistance provided by your on-site participant service representative(s)? For example, the on-site participant service representative would be expected to explain the online advice tool to the participant, perform the data entry, and generate and explain the output of the service in a one-on-one meeting.

☐ Yes ☐ No

Number of annual meetings	
Total hours	

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Are hours inclusive or exclusive to the participant education hours proposed	
--	--

C15. Will you offer participants comprehensive financial planning services?

☐ Yes ☐ No

C16. If yes, will you offer participants comprehensive financial planning services through a Certified Financial Planner?

☐ Yes ☐ No

C17. Do any of the individuals who provide financial planning services have any U-4s or Disclosure Events listed with FINRA?

☐ Yes ☐ No

C18. Are you proposing any financial planning service day(s) as part of your bid?

Number of annual meetings	
Total hours	
Are hours inclusive or exclusive to the participant education hours proposed	

C19. Describe the physical and personnel resources you will either provide to or need from the Plan Sponsor for on-site services such as office space, conference rooms and clerical/administrative support for meeting arrangements as relevant to the services provided.

Onsite resources: (100 word limit)	
---------------------------------------	--

C20. Please describe any adjustments your firm has made to the participant service model as a result of the COVID-19 pandemic?

Describe: (200 word limit)	
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C21. Would the participant service representative work out of his/her house or an office?

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☐ Home ☐ Office ☐ Both

C22. Will the Plan Sponsor be able to participate in the selection of the on-site participant service representative(s) assigned to the account? (Yes/No)

☐ Yes ☐ No

C23. How would your Firm handle a scenario where the Plan Sponsor was not satisfied with the personnel assigned to the account?

**Describe:
(200 word limit)**

C24. Will you provide on-site, individual meetings and group sessions at sites and times specified by the Plan Sponsor?

☐ Yes ☐ No

C25. Based on the Plan Sponsor's demographic data and your Firm's experience, complete the table below regarding your proposed on-site annual enrollment/education commitment. This response should be based upon the total hours and days that could be committed to under the services contract. If partial service days are considered in the proposal, the partial service days should not be counted as full days, but rather as their proportional equivalent of each day (for example: two half days equal one full day under the contract).

Proposed annual number of on-site service hours:

Proposed annual number of on-site service days:

C26. Complete the table on compensation structure for any employee, certified financial planner, and contractor (including the on-site participant service representatives) of your organization who would meet face-to-face with the participants and whether this compensation is one-time, recurring or varies based on the investments or products chosen by the participant.

	% Fixed Compensation	% Bonus	Employment Status (W2 Employee or 1099 Contractor to your organization)
Account representative			
Phone representative			
Education representative			
Investment advice representative			
Bonus payment criteria (50 word limit)			

C27. Are your on-site participant service representatives, plan sponsor representative, and/or any other employees given incentives to sell the following products or services: online advice, managed accounts, guaranteed minimum withdrawal benefit options,

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IRA rollover, and/or managed payout options? (Yes/No) Complete the tables below. State additional products or services that apply.

Is Any Compensation Based on the Adoption of:	On-Site Rep	Plan Sponsor Rep	Other Employees
Fixed or General Account/Stable Value:			
Managed Accounts:			
Guaranteed Minimum Withdrawal Benefit:			
Managed Payout Options:			
Proprietary Mutual Funds:			
Roth or traditional IRA or Rollover IRA:			
Other Products:			

C28. Briefly describe how you measure and/or benchmark the impact your communication and education efforts have on participant behavior? Limit your response to 200 words.

Measure/ Benchmark: (200 word limit)	
---	--

C29. Briefly describe your capability to track and report to the Plan Sponsor, on a quarterly basis, the success or effectiveness of various communication and education outreach campaigns. Limit your response to 200 words.

Capabilities: (200 word limit)	
---	--

C30. Do you offer the following participant services:

	Yes/No
--	---------------

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Retirement readiness scores or income gap analysis on statements:	
Retirement readiness scores or income gap analysis on web/landing page:	
Retirement readiness scores or income gap analysis on mobile devices:	

C31. Are you willing to conduct surveys to assess the success of any education program?

☐ Yes ☐ No

C32. If applicable, how frequently would you propose participant surveys be conducted? How frequently can the Plan Sponsor have participant surveys be conducted without incurring additional costs?

Frequency of surveys:	
Additional cost:	

C33. Please describe how you work with the plan sponsor to establish communication/education campaign and strategy.

<p>Describe: (200 word limit)</p>	
--	--

C34. Will you provide the Plan Sponsor with any customized educational materials?

	Yes/No	Description
Website:		
Education booklets:		
Newsletters:		
Mailers:		
Participant statements:		
Mobile applications:		
Participant forms:		
Others:		

C35. Does your Firm provide educational services to participants through the use of webinars, including interactive webinars?

☐ Yes ☐ No

STATEMENTS/SYSTEM TECHNOLOGY:



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C36. Do participant statements aggregate all account information if the employee were to have multiple plans/accounts with you?
☐ Yes ☐ No

C37. What external accounts, not held with your organization, can a participant aggregate into your system?

Explanation:
(100 word limit)

C38. Does your system capture external account information at initial input? (Yes/No) *For example, participant enters initial external account data and upon subsequent log-ins, the external account data populates.*

☐ Yes ☐ No

C39. Can your system capture and include participant defined benefit plan information, in statements or in a retirement income calculation or gap analysis? (Yes/No)

☐ Yes ☐ No

C40. Do participant statements allow for a customized message from the Plan Sponsor?

☐ Yes ☐ No

C41. Complete the chart regarding information available on participant statements.

PARTICIPANT STATEMENT	Yes/No	PARTICIPANT STATEMENT	Yes/No
Monthly fund performance:		Total assets:	
Quarterly fund performance:		Total ROTH assets:	
1-year fund performance:		Total outstanding loan amount:	
3-year fund performance:		Loan repayment detail:	
5-year fund performance:		Cash flow personal rate of return:	
10-year fund performance:		Expense ratios:	
Cash flow for quarter:		Defined benefit assets (if applicable):	
Roth deferrals for quarter:		Projected retirement income:	
Asset allocation:		Retirement readiness score:	

C42. Complete the chart regarding information available on participant statements. Fill in the requested number of business days.

How many days after quarter-end are statements mailed?	
How many days after quarter-end until statements are available online?	
How long are statements available?	

C43. Provide a sample quarterly participant account statement. Include this in the Exhibit Folder and label it **Exhibit 4.**

☐ Yes ☐ No

C44. Can participants print on-demand account statements with self-selected time periods from your website?

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☐ Yes ☐ No

C45. Complete the following table regarding the information and transaction capabilities available to Plan participants through Phone Service Representatives ("PSR"), Voice Response Unit ("VRU"), Desktop Computer, and Mobile App. (Yes/No)

Participant Inquiry/Transactions (yes/No)	PSR	VRU	Computer	Mobile
Total account balance:				
Roth account balance:				
Account balance by fund:				
Roth account balance by fund:				
Investment elections:				
Deferral rate:				
Roth deferral rate:				
Contribution history:				
Transaction history:				
Withdrawal history:				
Loan application:				
Outstanding loan balance:				
Loan history:				
Loan modeling:				
Primary beneficiary designation:				
Secondary beneficiary designation:				
Fund performance:				
Specific investment advice:				
Automatic rebalance:				
Paperless fund to fund transfers:				
Paperless future investment election change:				
Paperless enrollment:				
Paperless deferral/Roth deferral change:				
Prospectus request:				
Paperless loan application:				
Paperless term distribution:				
Investment advice online:				
Hardship application and status:				
Account distribution information:				
Projected retirement income:				
Mobile touch ID:	N/A	N/A	N/A	
Mobile text alerts:	N/A	N/A	N/A	
Mobile responsive design:	N/A	N/A	N/A	

C46. Except for investment advice/managed account offerings and self-directed brokerage options, are there any outside contractors or other vendors that would provide services to the Plan(s)?

☐ Yes ☐ No

C47. Are participants able to enroll and make changes to their accounts by filling out a paper form?

☐ Yes ☐ No



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C48. Does the Plan Sponsor have the ability to create a custom participant message for posting on the Internet site?

☐ Yes ☐ No

C49. Does your Firm provide for online participant loan applications?

☐ Yes ☐ No

If yes, can the entire process be completed online?

☐ Yes ☐ No

C50. What is the latest time that a participant can make an investment transfer request and be assured that the transaction will be processed at the end of that day? Time should be listed in the Plan Sponsor's time zone.

Latest time:

C51. Provide a test address and password in the table below for a representative participant website and/or mobile access experience.

	Sample Website	Sample Mobile
Web/Mobile address:		
Log-in:		
Password/security question:		
Expiration date:		

C52. Briefly explain how phone and website passwords are assigned and changed.

Explanation:
(200 word limit)

C53. Once your Firm receives a participant distribution or rollover request, how long does it take, in business days, for a check to be mailed out?

Number of business days:

C54. Once your Firm receives a participant distribution or rollover request, how long does it take, in business days, for an electronic payment to be made to the participant's outside account?

Number of business days:



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C55. Can participants select their own periodic payment distribution dates?

☐ Yes ☐ No

C56. Can these date(s) be changed once distributions have started?

☐ Yes ☐ No

C57. Can participants specify a specific fund source and/or fund order for the distribution?

☐ Yes ☐ No

C58. Can participants specify a specific tax source (e.g. pre-tax versus Roth) for the distribution?

☐ Yes ☐ No

SERVICE CENTERS:

C59. Where are your customer service center(s) located? List hours of operation in Plan Sponsor's time zone. Note: this office is not to be confused with any proposed local office.

Location	Days of Operation	Hours of Operation	Number of Reps

C60. What securities licenses are your customer service center representatives required to maintain? Provide your answer in the table below.

Licenses	Yes/No
Series 6:	
Series 7:	
Series 63:	
Series 65:	
Series 66:	
Insurance:	
Others (List):	

C61. Complete the following table regarding your call center and website:

Call Center/Website Stats	2020	2019	2018	2017
Average call response time (min:sec):				
Average length of calls (min:sec):				
Number of dropped calls:				
% of transactions handled by VRU:				
% of transactions handled by Web:				
% of transactions handled by PSR:				
Call center personnel turnover rate:				

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D. PLAN SPONSOR SERVICES

- D1.** Complete the table for any person who would work directly with the Plan Sponsor on a day-to-day basis, such as a regional field manager(s) or a relationship manager(s). Exclude education representatives.

	Representative #1	Representative #2
Representative's name:		
Years at firm:		
Years in industry:		
Location (City, State):		
Total number of accounts serviced:		
Total assets serviced:		
Total number of participants serviced:		
University degree(s):		
Professional credential(s):		
FINRA/insurance license(s):		
Work schedule (days and hours):		
Turnaround time for returning phone calls:		

- D2.** Will your Firm assign the Plan Sponsor a relationship manager that will serve as a single point of contact?
☐ Yes ☐ No
- D3.** Would this employee attend meetings at Plan Sponsor offices as requested?
☐ Yes ☐ No
- D4.** Will the Plan Sponsor be able to participate in the selection of this relationship manager assigned to the account?
☐ Yes ☐ No
- D5.** How would your Firm handle a scenario where the Plan Sponsor was not satisfied with the relationship manager assigned to the account?

Explanation: (100 word limit)	
--	--

- D6.** How frequently do you conduct client satisfaction surveys at the Plan Sponsor's level? Are Plan Sponsor surveys done internally or outsourced to a third party? If done internally, who is responsible for conducting the surveys (i.e. relationship manager, etc.)?

Survey frequency:	
Internally or outsourced:	
Responsible for conducting survey:	

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- D7.** Complete the table below regarding tasks an authorized Plan Sponsor staff member is able to accomplish on behalf of participants. If they are able to accomplish each task, list the format available as well as when any changes become effective.

TASK	Yes/No	Format (web, paper, etc.)
Change participant information:		
Designate date of termination online:		
View deferrals per participant:		
View account balance(s) as of a given date:		
View Plan statements per quarter:		
View YTD contributions per participant:		

- D8.** Complete the table below regarding reports you can provide to the Plan Sponsors.

Report	Frequency	Available in Paper (Y/N)	Available on Website (Y/N)
Participant Loans			
Payroll Contributions			
Plan Statement			
Plan Cash-Flow			
Investment Returns			
Lost Address			
Participant Eligibility			
Admin Allowance Account Transactions			
408(b)2 Fee Disclosure			

- D9.** To what extent does the plan sponsor have access to raw data/customizable reporting?

Describe: (200 word limit)	
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- D10.** Complete the table below to allow access to the demo plan sponsor website.

	Sample Website
Web/Mobile address:	
Log-in:	
Password/security question:	

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	Sample Website
Expiration date:	

D11. Indicate which administrative functions the Plan Sponsor may outsource, assuming they make use of all your administrative services and authorize your Firm to make approvals or otherwise perform. Once authorized, will the Proposing Firm carry out this function entirely without further Plan Sponsor staff involvement?

ADMINISTRATIVE FUNCTIONS	Completely Outsourced (Y/N)	Will You Carry Out Function (Y/N)
Qualified Domestic Relations Order (QDRO) review:		
QDRO approval:		
Emergency distribution review:		
Emergency distribution approval:		
Beneficiary change processing:		
Term distribution processing:		
Minimum required distribution processing:		
De minimis distribution processing:		
Plan document review/update:		
New participant loan applications and approval:		

D12. Complete the table below indicating the information and services you provide specifically to Plan Sponsors over the Internet.

SERVICES OVER THE INTERNET	Yes/No
Report writing capabilities:	
Payroll Deferral Posting Data:	
Participant Account Balance Information:	
Plan Account Balances by Fund:	
Indicative Data Changes:	
Withdrawal Request/Status Tracking:	
Total Outstanding Loan Balances:	
Total Number of Loans in Default:	

D13. Briefly describe when and how the Plan Sponsor and participants would be notified of loan default status, either while in service or post-separation. Be sure to include an explanation of what assistance you require from the Plan Sponsor in this regard.

Description: (100 word limit)	
--	--

D14. Does an individual participant have the ability to make loan repayments after separating from service? If yes, indicate what sources other than payroll deduction are available.

Loan repayment after separation (Y/N)	
--	--



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Other Payment Sources

- D15.** Briefly describe your Firm's participant loan administration processes and capabilities, including how a participant would apply for a loan and how the deduction information would be transmitted to the Plan Sponsor.

Description:
(100 word limit)

- D16.** Will your firm administer new plan loans taken out by a former employee (retired or separated) that will make loan repayments via ACH? (Yes/No) If yes, please provide any relevant details.

☐ Yes ☐ No

Details:
(100 word limit)

- D17.** In the past five (5) years, how many of your Firm's public sector clients experienced participant loan defaults that were not reported to the Plan Sponsor and/or participant in a timely fashion, resulting in taxes not being paid in the correct year?

Number of plans experienced such events:

- D18.** Complete the table below regarding the percentage of public sector DC plans that offer automatic enrollment and/or a Roth deferral feature.

Year	% of Govt DC Plans with Auto Enroll	% of Govt DC Plans with Roth Deferral
2020		
2019		
2018		
2017		

- D19.** Do you need the Plan Sponsor to specifically identify whether a Plan participant is making regular contributions, pre-retirement catch-up contributions, and/or age 50+ catch-up contributions? (Yes/No for each contribution type)

CONTRIBUTION TYPE	Yes/No
Regular Contribution	
Catch-up Contribution	
50+ Catch-up Contribution	

- D20.** List any other administrative outsourcing services, not yet noted, that your Firm would make available to the Plan Sponsor.



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**Additional
Outsourcing
Services:
(200 word limit)**

D21. Are all communication and education services configured to comply (at a minimum) with the **provisions of applicable federal law?**

☐ Yes ☐ No

D22. Although ERISA is not applicable to public sector plans, will you comply with the communication and education requirements of subdivision (c) of Section 1104 of Title 29 of the US Code, commonly referred to as Section 404(c), as a means of assuring that the Plan Sponsor meets its fiduciary responsibilities?

☐ Yes ☐ No

D23. Does your Firm apply the US Department of Labor (DOL) plan sponsor and participant regulations requiring fee disclosure to plan sponsors and participants in non-ERISA-governed plans? If yes, please include a sample in the Exhibit Folder and label it **Exhibit 5.**

☐ Yes ☐ No

D24. Are you willing to indemnify and hold the Plan Sponsor harmless from any legal claims and actions arising out of the educational activities you provide to Plan participants. If no, briefly explain.

☐ Yes ☐ No

**Explanation:
(100 word limit)**

D25. Will you provide legal assistance and compliance to assure the Plan(s) operate in compliance with current and future Internal Revenue Code provisions?

☐ Yes ☐ No

D26. How will you inform the Plan Sponsor of actual or contemplated changes in laws or regulations that would impact the Plan(s)?



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Description:
(100 word limit)

D27. Will your Firm provide and maintain model plan documents for the Plan Sponsor for the Plan(s)?

☐ Yes ☐ No

D28. Does your Firm provide a plan sponsor newsletter?

☐ Yes ☐ No

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E. INVESTMENT FLEXIBILITY

- E1.** Will you require the use of a proprietary option to secure any enhanced pricing offered under this bid? If yes, please name the product(s).
☐ Yes ☐ No

Required Proprietary Product Name

- E2.** Provide the crediting rate formula for the proposed capital preservation investment option(s) (stable value, General or Fixed Account, etc.). Illustrate the current rate using this formula.
- E3.** For the proposed capital preservation investment option(s), provide quarterly investment returns, net of management and wrap fee, for the last 10 years.

Year	1Q	2Q	3Q	4Q
2020				
2019				
2018				
2017				
2016				
2015				
2014				
2013				
2012				
2011				
2010				
2009				

- E4.** Are the returns for the Capital Preservation Option GIPS compliant?
☐ Yes ☐ No
- E5.** Are the returns for the Capital Preservation Option audited?
☐ Yes ☐ No
- E6.** Provide the market-to-book value ratio (or formulaic equivalent adjustment factor) for the proposed capital preservation investment option(s) and the net of fee crediting rate for each of the following years:

Year	MV:BV Ratio	Net Annualized Crediting Rate
2020		
2019		
2018		
2017		

Year	MV:BV Ratio	Net Annualized Crediting Rate
2014		
2013		
2012		
2011		



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Year	MV:BV Ratio	Net Annualized Crediting Rate
2020		
2016		
2015		

Year	MV:BV Ratio	Net Annualized Crediting Rate
2014		
2010		
2009		

- E7.** For the proposed capital preservation investment option(s), provide the most recent attribution sheet that shows the current portfolio breakdown by sector along with any and all wrap providers. Include this in the Exhibit Folder and label it **Exhibit 6**.
- E8.** As applicable, provide a list of the fixed/stable value option wrap providers for any proprietary products and indicate whether or not they are currently providing additional wrap capacity.

Wrap Provider Name	Additional Wrap Capacity (Y/N)	S&P Credit Rating	% of Portfolio Wrapped	Wrap Fee (%)

- E9.** Describe the liquidity provisions for the proposed capital preservation investment option(s).

Participant Liquidity: (50 word limit)	
Plan Sponsor Liquidity: (50 word limit)	

- E10.** At the end of the recordkeeping contract termination where you or your capital preservation is not retained, explain the plan level liquidity for each proposed product?

Product	Investment Type*	Book Value Liquidation (Y/N)	Put Period in Months	Market Value Liquidation (Y/N)	Securities In- kind (Y/N)

*General Account, Separate Account, Commingled Stable Value, Money Market, etc.

- E11.** If applicable, state the market value adjustment formula that will apply to the capital preservation product(s) that your firm has proposed under enhanced pricing. Briefly describe as needed.

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Formula:
(100 word limit)

E12. What benchmark is used to evaluate the performance of the proposed capital preservation investment option(s)?

Product(s)	Benchmark

E13. Provide a list of ten non-revenue share stable value/capital preservation products that are available through your investment platform.

Product Name	Expense Ratio	Current Net Credit Rate	Proprietary (Y/N)

E14. State the floor rate and contract term for any proposed stable value fund or fixed option.

Product	
Floor Rate	
Contract Term	

Product	
Floor Rate	
Contract Term	

E15. For any product that has a put provision, will you allow the Plan Sponsor to provide notice of possible liquidation in advance of any formal decision? For example, could the Plan Sponsor ask you to begin the put notification period and then elect at a later time to keep the fund prior to any actual liquidation and without any charge to the Plan and participants?

☐ Yes ☐ No



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E16. For all investment options on your platform, do you have restrictions on the number of trades a participant may make in a month, quarter, and year?

☐ Yes ☐ No

E17. Can your organization apply short-term trading restrictions and redemption fees?

☐ Yes ☐ No

E18. Is it your practice to apply these restrictions and fees in accordance with the fund company's policies?

☐ Yes ☐ No

E19. Are participants notified if a trade or transfer they are making will have a redemption fee assessed?

☐ Yes ☐ No

E20. How many days will it take for you to add or remove a fund from the Plan Sponsor's Plan(s) once you have been given instructions?

Number of days:

E21. Are fund additions and deletions subject to any monthly, quarterly or annual schedule? If yes, define the schedule.

☐ Yes, ☐ Monthly ☐ Quarterly ☐ Annually

☐ No

E22. Briefly describe any restrictions to adding new funds to your platform.

**Description:
(200 word limit)**

E23. Do you receive compensation from fund companies outside of your revenue share agreements?

☐ Yes ☐ No

E24. How many fund companies provide compensation to your firm that is separate from revenue share?

Number of Fund Companies:

E25. Will you process non-NSCC eligible investment options and are there any fees for this?

☐ Yes ☐ No

Additional Fee:

E26. Provide a list of the investment options available through your proprietary and alliance networks. This list should include ticker symbols, expense ratios and revenue share information available for every fund. Segment the list by asset class. Provide this report in an Excel spreadsheet and include this in the Exhibit Folder and label it **Exhibit 7**.

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☐ Yes ☐ No

E27. Answer Yes/No in the table below to indicate your Firm's ability to provide record keeping for the Plan Sponsor options that may include:

PRODUCT NAME	Yes/No
Non-proprietary Commingled Trust Investment:	
Non-proprietary General Account:	
Non-proprietary Separate Account:	
Non-proprietary Annuity/Guaranteed Retirement Income Products:	

Additional Fee:

E28. Do you currently offer a guaranteed minimum withdrawal benefit (GMWB) product?

☐ Yes ☐ No

Product Name:	
Investment Cost:	
Insurance Cost:	
Portable to another recordkeeper:	

E29. If you answered "Yes" to the question above, will you allow other third-party administration (TPA) companies to record-keep your GMWB product? If yes, please identify the TPA firms that are providing your GMWB product to defined contribution plans today.

TPA Firms

E30. Will your Firm record keep the guaranteed minimum withdrawal benefit products provided by other firms? (Yes/No). If yes, please list the GMWB products of other firms that are available on your platform today.

☐ Yes ☐ No

Product Name

E31. Will your firm support the provisions of the SECURE Act that allow for a participant to transfer GMWB assets to an IRA in the event the product is terminated within the plan?

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☐ Yes ☐ No

E32. Do you offer a self-directed brokerage account (SDBA) option? (Yes/No)

Offer SDBA (Y/N):	
Online Brokerage Company:	

E33. Answer Yes/No in the following grid as it relates to the SDBA.

	Can be traded? (Yes/No)	Can be restricted? (Yes/No)
Stocks:		
Bonds:		
ETFs:		
Mutual Funds:		
Options:		
Other Derivatives:		
Closed-end LPs:		

E34. Do you have the ability to restrict the amount of assets a participant is able to hold within the SDBA? (Yes/No)

☐ Yes ☐ No

E35. Is there a minimum account balance that must be maintained in the core investment menu? (Yes/No) If so, what is the dollar amount or percentage?

☐ Yes ☐ No

Minimum Amount:	
------------------------	--

E36. Briefly discuss the process of moving assets to/from the core account, and any restrictions in trading frequencies or timing that may be imposed in the SDBA.

Asset Transfers: (100 word limit)	
Restrictions in trading frequency and timing (100 word limit)	

E37. Are participants able to defer directly to the SDBA?

☐ Yes ☐ No



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E38. Briefly describe how Roth assets are handled within the SDBA.

<p align="center">Describe: (200 word limit)</p>	
---	--

E39. Can participants separately designate the transfer of either pre-tax or Roth after-tax dollars to the SDBA?

☐ Yes ☐ No

E40. Will the pre-tax and Roth after-tax contributions and earnings show separately on participant SDBA statements?

☐ Yes ☐ No

E41. Briefly describe what information your quarterly statements include regarding specific transactions conducted in the SDBA.

<p align="center">Describe: (100 word limit)</p>	
---	--

E42. Do you require participants to maintain a balance in the core investment menu? (Yes/No) If so, what is the minimum dollar amount or percentage of assets.

☐ Yes ☐ No

Minimum Amount or Percentage

E43. Provide a sample participant statement that your recommended SDBA partner would provide to participants. Include this in the Exhibit Folder and label it Exhibit 8.

☐ Yes ☐ No



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F. TRANSITION

F1. Include a one-page transition plan assuming your contract starts on September 30, 2021. Include this as **Exhibit 9**.

F2. How many plans has your Firm transitioned from other providers listed below?:

CLIENT TRANSITION	2020	2019	2018	2017	2016	2015
Under \$20 million:						
\$20 million to \$100 million:						
\$101 million to \$200 million:						
\$201 million to \$500 million:						
Over \$500 million:						
Total						

F3. What is the least amount of time needed for you to do a transition? What is the typical amount of time?

Least amount of time (#days):	
Typical (#days):	

F4. Will you guarantee your stated implementation timeframe? (Yes/No)

☐ Yes ☐ No

F5. Will you offer the Plan Sponsor a dedicated transition management team? (Yes/No) If yes, briefly describe the team members and their roles in the following table.

☐ Yes ☐ No

Team member	Role	# of prior plans transitioned from current record keeper

F6. Based on the Plan Sponsor's demographic data and your Firm's experience, complete the table below regarding your proposed on-site education/communication commitment for the transition period. This response should be based upon the total hours and days that could be committed to under the services contract. If partial service days are considered in the proposal, the partial service days should not be counted as full days, but rather as their proportional equivalent of each day (for example: two half days equal one full day under the contract).

Proposed number of transition service <u>hours</u> :	
Proposed number of transition service <u>days</u> :	
Are the hours/days in addition to onsite education commitments noted in Section C:	

F7. Briefly describe how you will handle accounts already in systematic distribution during a Plan transition?

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Describe:
(100 word limit)

F8. Briefly describe your approach to communicating with retired or otherwise separated employees.

Describe:
(100 word limit)

F9. Briefly describe how emergency distribution requests will be handled during the blackout.

Describe:
(100 word limit)

F10. How many days do you anticipate the entire blackout period lasting on your system? How many days in total?

Blackout on your system:

Total blackout days:

F11. Briefly describe any transactions that would be prohibited during this period?

Describe:
(100 word limit)

F12. How long will participant assets be out of the market during the transition?

Total number of days:

F13. Are you able to transfer any of the Plan assets/shares in-kind?

☐ Yes ☐ No



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F14. Are you able to transfer self-directed brokerage assets?

☐ Yes ☐ No



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G. Fees and Expenses Proposal

- G1.** Complete the table below, showing your firm's proposed annual fee, on a per-participant, fixed dollar fee for providing record-keeping, administration, participant services, plan sponsor services, and on-site education and counseling for the Plan(s) assuming the use of no proprietary products. It should be noted that while the Plan Sponsor is interested in longer term pricing, purchasing requirements may stipulate that the maximum term available is limited to five years. Thus, any seven- and ten-year pricing offers carry an assumption that the Plan Sponsor extends its contract with your firm at the appropriate time and the risk that the Plan Sponsor does not extend.

PER HEAD FEE, NO PROPRIETARY PRODUCTS

CONTRACT TERM	457(b) Plan	Extended term* (Y/N)
5 year		-
7 year		
10 year		

* Willing to offer pricing without guaranteed extended term

- G2.** If your firm is willing to provide enhanced pricing based on the use of any proprietary products or services, such as (but not limited) to a specific stable value/general account option, advisory/managed account services, and/or brokerage option, please state what your fee would be on a per-participant, fixed dollar basis with the use of any such proprietary offerings and state the required product(s) or service(s).

PER HEAD FEE, WITH PROPRIETARY PRODUCT(S)

CONTRACT TERM	457(b) Plan	Extended term* (Y/N)	Proprietary product(s) or service(s)
5 year		-	
7 year			
10 year			

* Willing to offer pricing without guaranteed extended term

- G3.** Complete the table below, showing your firm's proposed annual fee, as a percentage of plan assets, for providing record-keeping, administration, participant services, plan sponsor services, and on-site education and counseling for the Plan(s) assuming the use of no proprietary products. It should be noted that while the Plan Sponsor is interested in longer term pricing, purchasing requirements may stipulate that the maximum term available is limited to five years. Thus, any seven- and ten-year pricing offers carry an assumption that the Plan Sponsor extends its contract with your firm at the appropriate time and the risk that the Plan Sponsor does not extend.

ASSET BASED FEE, NO PROPRIETARY PRODUCTS

CONTRACT TERM	457(b) Plan	Extended term* (Y/N)
5 year		-
7 year		
10 year		

* Willing to offer pricing without guaranteed extended term

- G4.** If your firm is willing to provide enhanced pricing based on the use of any proprietary products or services, such as (but not limited) to a specific stable value/general account option, advisory/managed account services, and/or brokerage option, please state what your fee would be on a percentage of plan asset basis with the use of any such proprietary offerings and state the required product(s) or service(s).

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ASSET BASED FEE, WITH PROPRIETARY PRODUCT(S)

CONTRACT TERM	457(b) Plan	Extended term* (Y/N)	Proprietary product(s) or service(s)
5 year		-	
7 year			
10 year			

* Willing to offer pricing without guaranteed extended term

- G5.** Would you include the accounts and/or assets invested through the SDBA in the calculation of the revenue requirement provided? (Yes/No)
☐ Yes ☐ No
- G6.** If the Plan Sponsor uses your Firm's contract, describe your termination language (at-will versus for cause, required advance notice timing for termination, etc.).

Describe:
(200 word limit)

- G7.** State which products (General Account, Self-Directed Brokerage, Managed Accounts, etc.) are not subject to your revenue requirement, if any.

Describe:
(100 word limit)

- G8.** Provide a fee schedule for the self-directed brokerage account (SDBA) option. Be sure to include set-up and maintenance fees as well as trading costs.

Brokerage Fee	Fees
Set-up Fee:	
Annual Maintenance Fee:	



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Trading Costs	Online	Broker Assisted
Per Stock Trade:		
Per Bond Trade (cost range):		
Per Mutual Fund Trade (cost range):		

- G9.** Do you receive revenue from the SDBA option? (Yes/No) What revenue do you receive from the SDBA option?
☐ Yes ☐ No

Amount of revenue as a (%)

- G10.** Would you include the revenue received for SDBA assets in the revenue calculation? (Yes/No)

☐ Yes ☐ No

- G11.** If applicable, will your Firm credit all revenue received from assets invested in the SDBA back to the participant accounts associated with the SDBA investment? (Yes/No)

☐ Yes ☐ No

- G12.** Are you able to apply a Plan Sponsor-imposed administrative fee in addition to your fee? (Yes/No)

☐ Yes ☐ No

- G13.** Are you able to apply the Plan Sponsor-imposed administrative fee to all assets including self-directed brokerage? (Yes/No) If no, describe the process for billing SDBA assets in this regard.

☐ Yes ☐ No

Describe:
(100 word limit)

- G14.** With regard to financial planning, provide a fee schedule for any related services.

Fee Schedule:
(100 word limit)

- G15.** Describe the fee, if any, for providing investment advice, be it through the on-site representative using an online tool, or through the representative using some other program or approach.

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Describe:
(100 word limit)

- G16.** Are fees for a financial planning service proposed by your Firm assessed to the entire participant population or only to those who use the service?

☐ Entire population ☐ Those who use it

- G17.** Please provide a fee schedule for your online advice and managed account program. Please also indicate whether or not the revenue for these programs would apply towards any revenue or pricing requirements.

MANAGED ACCOUNT ASSET RANGE	Opt-in Only Fee Schedule

% Revenue applied toward recordkeeping fee

- G18.** Provide a list of all other non-asset based, participant-related administration expenses.

PARTICIPANT ADMINISTRATION SERVICES	Cost of Services (\$)
Loan set-up:	
Loan maintenance:	
In-service withdrawals:	
Emergency withdrawals:	
Required minimum distributions:	
QDRO determination:	
QDRO processing:	
Stop payment:	
Replacement 1099-R:	
Wire transfer/EFT:	
Disbursements:	

- G19.** Provide a list of all non-asset based plan sponsor-related administrative expenses. This would include special reporting charges, legal fees, administrative processing fees, communications fees, QDRO administration fees, and plan document preparation fees (including any fees to maintain, update, and/or ensure compliance of such document with the Internal Revenue Code).

PLAN SPONSOR ADMINISTRATION SERVICES	Cost of Services (\$)
Plan reporting:	
Plan document preparation:	
Plan document maintenance:	
Identifying population eligible for required minimum distribution:	

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PLAN SPONSOR ADMINISTRATION SERVICES	Cost of Services (\$)
Lost participant/bad address search:	
Assistance with audits:	
Custom communications including customization of website:	
Plan-level fund changes:	
Participant communication/mailing:	

G20. Identify all non-asset based participant and plan sponsor service fees not included above.

ADDITIONAL SERVICES	Cost of Services (\$)

PERFORMANCE GUARANTEES

G21. Complete the following table describing the performance guarantees, if any, you propose. Disclose the dollars you are willing to put at risk for failing to meet the proposed benchmarks. Please be specific. "To Be Determined" is not an acceptable response.

SERVICES	BENCHMARK	AMOUNT AT RISK
	PHONE	
Plan sponsor services response time:		
Participant services response time:		
Return all calls to plan sponsor within:		
Return all calls to participants within:		
	STATEMENTS	
Participant statement mail time:		
Sponsor plan statement mail time:		
Participant online statement posting:		
Sponsor online statement posting:		
	PARTICIPANT SERVICES	
Number of on-site individual meetings:		
Number of on-site group meetings:		
Financial planning services:		
Plan participation rate increases:		
Deferral rate increases:		
	TRANSITION	
Timeline:		

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SERVICES	BENCHMARK	AMOUNT AT RISK
Deliverables:		
On-site meetings:		
	ADMINISTRATION	
Contribution posting:		
Withdrawals processed:		
Emergency withdrawals processed:		
Rollovers/transfers out:		
Loan processing (if applicable):		
	PLAN SPONSOR SERVICES	
Report delivery:		
Training:		
	OVERALL SATISFACTION	
Draft and distribute survey:		
Satisfaction survey score:		

G22. Will you agree to provide reports to the Plan Sponsor that detail all service performance benchmarks and whether or not they are being met? (Yes/No) If yes, how frequently are the reports available?

☐ Yes ☐ No

Frequency:

G23. As it pertains to the performance guarantees referenced above, have you ever had to make payments to any clients for failure to perform on these types of guarantees? (Yes/No) If yes, please state how many times over the last three (3) years such payments have been made.

☐ Yes ☐ No

of times payments made:

FEE ADMINISTRATION

G24. If the final investment line-up selected were to generate some amount of revenue sharing, will you rebate any and all revenue above the contracted amount? (Yes/No) If yes, when or how frequently would this rebate occur (monthly or quarterly)?

☐ Yes ☐ No

Frequency:

G25. If the Plan Sponsor desires to assess participants a Plan Sponsor-imposed asset-based fee to offset Plan administration-related expenses, will your Firm assess this fee on behalf of the Plan Sponsor and return those collected fees to the Plan(s) as they are collected? (Yes/No) If yes, briefly describe, addressing the frequency of the fee and how it would be calculated and assessed.

☐ Yes ☐ No

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Describe:
(100 word limit)

- G26.** What are the Plan Sponsor's options in terms of the setup of the account to hold such assets, and in what investment may the assets be invested? Does this investment option have to be on the core menu?

Account option(s)	
Investment Choice(s)	

- G27.** Does this investment option have to be on the core menu? (Yes/No)

☐ Yes ☐ No

- G28.** Will your Firm hold onto these assets in the plan/trust? (Yes/No) If yes, briefly describe how the Plan Sponsor would access the assets held in this account?

☐ Yes ☐ No

Describe:
(100 word limit)

- G29.** Will you provide an account statement report no less than quarterly for the Plan Sponsor Account? (Yes/No)

☐ Yes ☐ No

- G30.** Will the statement label all cash flows and dates of each transaction? (Yes/No)

☐ Yes ☐ No

- G31.** Will your Firm, if directed, apply a hard dollar annual per participant fee cap? (Yes/No)

For example: The plan sponsor may wish to assess participants a plan administration fee of 0.10% of assets, but only to a maximum of \$150 per year. (Participant with over \$150,000 in assets would pay a maximum of \$150 and the 0.10% would not be applied to balances greater than \$150,000.)

☐ Yes ☐ No

- G32.** Will your Firm, if directed, credit revenue share from the investment providers towards offsetting any per-participant plan administration fee? (Yes/No)

☐ Yes ☐ No

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 Fax: (623) 222-1801

- G33.** Will your Firm, if directed, return revenue share from investment providers in a pro-rata fashion directly back to the participants who had invested in those funds each quarter, if so directed by the Plan Sponsor? (Yes/No)

For example: Participant A invests in Fund A and Fund B. Fund A generates 0.25% in revenue share annually and Fund B generates 0.15% annually. Participant A holds 0.5% of the Plan's total investment in Fund A and 0.5% of the Plan's total investment in Fund B. Each quarter 0.5% of the revenue received or credited from Fund A would be reimbursed into Participant A's account and 0.5% of revenue from Fund B would be reimbursed into Participant A's account. Other participants with different proportionate shares of the Plan's total investments in Fund A and Fund B would receive different reimbursements in accordance with their proportional share of those funds.

☐ Yes ☐ No

- G34.** Will your Firm apply different revenue share rebate credits and/or administrative fee offsets at the participant level as applicable to each fund? (Yes/No)

For example: A participant invests in Fund A, Fund B and Fund C. Fund A generates 0.25% in revenue share annually, Fund B generates 0.10% annually and Fund C generates no revenue sharing. The plan sponsor has elected to assess all participants a 0.10% administrative fee annually that can be partially or fully offset by any fund revenue sharing. Accordingly, participant assets that are invested in Fund A that shares 0.25% would receive an account credit of 0.15% based on the assets in Fund A; participants in Fund B would receive no credit and no applicable administrative charge assessed to the assets in Fund B; and participants in Fund C would be charged the full 0.10% on the assets invested in Fund C.

☐ Yes ☐ No

- G35.** As a requirement to contract with the Plan Sponsor, will you commit in writing to specifically disclosing all revenues received from the investment options and services you offer to the Plan Sponsor? (Yes/No)

☐ Yes ☐ No

- G36.** The Plan Sponsor may be exploring different fee collection models from participant accounts. Is your Firm able to implement a hybrid model where fees are collected on both a per-head fee and an asset-based fee? (Yes/No)

☐ Yes ☐ No

- G37.** Is your Firm able to implement a minimum fee cap where smaller accounts do not pay an additional administrative tack-on fee? (Yes/No)

☐ Yes ☐ No

- G38.** Is your Firm able to implement a maximum fee cap where larger accounts do not pay an additional administrative tack-on fee once they hit a breakpoint? (Yes/No)

☐ Yes ☐ No

- G39.** Will your firm provide a Plan Sponsor Admin Account report detailing all transactions as frequent as monthly and no less than quarterly? (Yes/No)

☐ Yes ☐ No

- G40.** Will your firm provide a description of each transaction in the Plan Sponsor Admin Account report? (Yes/No)

☐ Yes ☐ No



REQUEST FOR PROPOSAL

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H. REFERENCES

Current Governmental Client References

Provide the following information for four (4) governmental employers with plan assets of about \$50 million for which your Firm presently provides **457(b)** record keeping and plan administration services. Select a contact person for each plan who has managerial/committee member responsibilities associated with the plan. Preferably at least one will be a California agency.

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Former/Terminated Client References

Provide the following information for four (4) governmental employers for which your Firm has, in the last five years (but does not presently), provided **457(b)** record keeping and plan administration services. Provide a contact person who has/had managerial/committee member responsibilities associated with the plan.

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

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Transition References

Provide the following information for four (4) governmental 457(b) with plan assets of about \$50 million each, for which you have performed an incoming plan asset and participant data transition within the past three years. Select a contact person at each client that was directly involved with the transition process.

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

Client name:	
Contact name & title:	
Contact phone number:	
E-mail address:	
Plan inception date:	
Total plan assets:	

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AFFIDAVIT OF NON-COLLUSION

(Affiant/Name of person signing this affidavit)

the _____
(Title)

of _____
(Offeror Company)

declares under oath:

I am authorized to submit the enclosed proposal. The proposal is genuine and not a sham or collusive, nor made in the interest of any other person or entity. The prospective offeror has not, directly or indirectly, entered into any agreement whereby different offerors on any project or contract for the City agree either as to who is to be the lowest priced proposer, or as to the amount of any proposal or any part of any proposal, or otherwise taken any action in restraint of free and competitive bidding. The prospective offeror has not disclosed its sealed proposal amount to any other offeror, person, city employee, firm or corporation in the same business doing business in this State, or known to the person disclosing the figures to be likely to submit a proposal for the same contract before the proposals are opened. All statements contained in the proposal and in this affidavit are true and correct.

(Signature of Affiant)

SWORN TO BEFORE me this ____ day of _____, 20____, in the County of

Maricopa, State of Arizona, by

Notary Public

My Commission Expires:

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IMMIGRATION WARRANTY

A.R.S. § 41-4401 requires as a condition of your contract verification of compliance by the contractor and subcontractors with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. §23-214 related to the immigration status of its employees.

By completing and signing this form the contractor attests that it and all subcontractors performing work under the cited contract meet all conditions contained in this Immigration Warranty.

Contract Number: 321216		
Name (as listed in the Offer):		
Street Address:		
City:	State:	Zip Code:

I hereby attest that:

1. The Contractor complies with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of those employees performing work under this Contract; and
2. All subcontractors performing work under this Contract comply with the Federal Immigration and Nationality Act (FINA), all other Federal immigration laws and regulations, and A.R.S. § 23-214 related to the immigration status of their employees.

Signature

Printed Name

Title:

Date (month/day/year)

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CERTIFICATE OF INSURABILITY

I hereby certify that I am fully aware of Insurance Requirements contained in the Contract Documents for contract number 321216 and by the submission of this Offer I hereby assure the City that I am able to produce the insurance coverage required if I am awarded the Contract.

If I am awarded the Contract and then become unable to produce the insurance coverage specified within ten working days, I am fully aware and understand that this will make my submission nonresponsive and I will be disqualified for this project and future projects for the City of Surprise.

Signature

Printed Name

Title:

Date (month/day/year)



REQUEST FOR PROPOSAL

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TERMS & CONDITIONS EXCEPTIONS

Offeror/Bidder/Company Name: _____

Bidders are to indicate below any exceptions they have taken to the Specifications. An Offeror that takes exceptions to a material requirement of any part of this solicitation, including Terms and Conditions, may be cause for rejection.

ATTACH ADDITIONAL SHEETS AS NECESSARY.



REQUEST FOR PROPOSAL

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LICENSE REQUIREMENTS

Offeror/Bidder/Company Name: _____

- ☐ Attach a copy of your City of Surprise Business License to your proposal submittal.

- ☐ Offeror does not currently have a City of Surprise Business License, but will obtain and provide a copy upon contract award.

- ☐ Attach copies of all required licenses required to furnish any goods and/or services for this contract.



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MBWE/LOCAL VENDOR

Offeror/Bidder/Company Name: _____

Has your firm been certified by any jurisdiction in Arizona as a minority or woman owned business enterprise?

Yes _____, No _____.

If yes, please provide details and documentation of the certification.

Does your firm meet the definition of a Local Vendor?

Yes _____, No _____.

“Local Vendor” is defined as having its headquarters, distribution point or locally-owned franchise located within the city limits; City of Surprise business license; and pays City of Surprise TPT Tax. **NO PREFERENCE WILL BE GIVEN TO LOCAL VENDORS.**



REQUEST FOR PROPOSAL

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COMPLIANCE WITH A.R.S. § 35-393.01

The State of Arizona has enacted laws that prohibit the City from contracting with companies currently engaged in a boycott of Israel.

A.R.S. § 35-393.01 states:

35-393.01. Contracting; procurement; investment; prohibitions

A. A public entity may not enter into a contract with a company to acquire or dispose of services, supplies, information technology or construction unless the contract includes a written certification that the company is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of Israel.

B. A public entity may not adopt a procurement, investment or other policy that has the effect of inducing or requiring a person or company to boycott Israel.

A.R.S. § 35-393 defines "boycott," "company," and "public entity" as follows:

"Boycott" means engaging in a refusal to deal, terminating business activities or performing other actions that are intended to limit commercial relations with Israel or with persons or entities doing business in Israel or in territories controlled by Israel, if those actions are taken either:

(a) In compliance with or adherence to calls for a boycott of Israel other than those boycotts to which 50 United States Code section 4607(c) applies.

(b) In a manner that discriminates on the basis of nationality, national origin or religion and that is not based on a valid business reason.

"Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company or other entity or business association, and includes a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate.

"Public entity" means this state, a political subdivision of this state or an agency, board, commission or department of this state or a political subdivision of this state.

To ensure compliance with A.R.S. §35-393.01, this form must be completed and returned with the response to the solicitation and any supporting information to assist the City in making its determination of compliance.

All Offerors must select one of the following:

_____ My company **does not** participate in, and agrees not to participate in during the term of the contract, a boycott of Israel in accordance with A.R.S. §35-393.01.

_____ My company **does** participate in a boycott of Israel as defined by A.R.S. §35-393.01.

By submitting this response, Offeror agrees to indemnify and hold the City, its agents and employees, harmless from any claims or causes of action relating to the City's action based upon reliance on the above representations, including the payment of all costs and attorney fees incurred by the City in defending such an action.

Company Name

Address

City State Zip

Signature of Person Authorized to Sign

Printed Name

Title



REQUEST FOR PROPOSAL

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ATTACHMENT A

Breakdown of Current Plan Assets

City of Surprise, AZ
457(b) Deferred Compensation Plan
Investment Menu - As of December 31, 2020
Nationwide

				(a)	(b)	(c)	(d)	(a+b+c)		
Asset Class	Fund Name	Ticker or CUSIP	Assets	Contracted Expense % (Direct fee charged to plan/participants)*	Add'l. Admin. Expense % (Direct fee charged to plan/participants)*	Fund Net Expense % (Expense Ratio minus Revenue Share)	Revenue Share % (Amount paid by the fund companies)	Total Charges %	Short-term Redemption Policy/Fee	Date Added to Plan
Target Date Funds	American Funds 2010 TDF - Class R6	RFTTX	\$69,554	0.38%	0.00%	0.30%	0.00%	0.68%	N/A	2/18/2015
Target Date Funds	American Funds 2015 TDF - Class R6	RFJTX	\$0	0.38%	0.00%	0.30%	0.00%	0.68%	N/A	8/16/2018
Target Date Funds	American Funds 2020 TDF - Class R6	RRCTX	\$406,499	0.38%	0.00%	0.31%	0.00%	0.69%	N/A	2/18/2015
Target Date Funds	American Funds 2025 TDF - Class R6	RFDTX	\$33,151	0.38%	0.00%	0.33%	0.00%	0.71%	N/A	8/16/2018
Target Date Funds	American Funds 2030 TDF - Class R6	RFETX	\$3,379,125	0.38%	0.00%	0.35%	0.00%	0.73%	N/A	2/18/2015
Target Date Funds	American Funds 2035 TDF - Class R6	RFFTJ	\$321,188	0.38%	0.00%	0.37%	0.00%	0.75%	N/A	8/16/2018
Target Date Funds	American Funds 2040 TDF - Class R6	RFGTX	\$818,925	0.38%	0.00%	0.38%	0.00%	0.76%	N/A	2/18/2015
Target Date Funds	American Funds 2045 TDF - Class R6	RFHTX	\$219,021	0.38%	0.00%	0.39%	0.00%	0.77%	N/A	8/16/2018
Target Date Funds	American Funds 2050 TDF - Class R6	RFTTX	\$377,710	0.38%	0.00%	0.39%	0.00%	0.77%	N/A	2/18/2015
Target Date Funds	American Funds 2055 TDF - Class R6	RFKTX	\$126,295	0.38%	0.00%	0.39%	0.00%	0.77%	N/A	8/16/2018
Target Date Funds	American Funds 2060 TDF - Class R6	RFUTX	\$115,166	0.38%	0.00%	0.40%	0.00%	0.78%	N/A	8/16/2018
Specialty	BlackRock Technology Opportunities Fund - Inst.	BGSIX	\$3,659,240	0.38%	0.00%	0.93%	0.25%	1.31%	N/A	9/18/2017
Specialty	PIMCO International Bond Fund - Inst.	FFORX	\$292,177	0.38%	0.00%	0.60%	0.00%	0.98%	N/A	11/16/2020
Specialty	Vanguard Real Estate Index Fund - Admiral	VGSLX	\$799,744	0.38%	0.00%	0.12%	0.00%	0.50%	N/A	2/18/2015
International Stocks	Invesco Developing Markets Fund - Class R6	ODVIX	\$691,370	0.38%	0.00%	0.83%	0.00%	1.21%	N/A	2/18/2015
International Stocks	MFS International Intrinsic Value Fund - Class R6	MINJX	\$2,238,340	0.38%	0.00%	0.63%	0.00%	1.01%	N/A	2/18/2015
International Stocks	MFS International New Discovery - Class R6	MIDLX	\$124,622	0.38%	0.00%	0.93%	0.00%	1.31%	N/A	2/18/2015
International Stocks	New Perspective Fund - Class R6	RNPGX	\$190,682	0.38%	0.00%	0.42%	0.00%	0.80%	N/A	2/18/2015
International Stocks	Vanguard International Growth Fund - Admiral	VWILX	\$1,315,327	0.38%	0.00%	0.33%	0.00%	0.71%	N/A	1/16/2019
Small Cap Stocks	DFA U.S. Targeted Value Portfolio - Inst.	DFFVX	\$238,527	0.38%	0.00%	0.36%	0.00%	0.74%	N/A	2/18/2015
Small Cap Stocks	Vanguard Small-Cap Index Fund - Admiral	VSMAX	\$869,052	0.38%	0.00%	0.05%	0.00%	0.43%	N/A	2/18/2015
Mid Cap Stocks	Baron Growth Fund - Inst.	BGRX	\$1,365,304	0.38%	0.00%	1.04%	0.15%	1.42%	N/A	2/18/2015
Mid Cap Stocks	Vanguard Mid-Cap Index Fund - Admiral	VIMAX	\$595,830	0.38%	0.00%	0.05%	0.00%	0.43%	N/A	2/18/2015
Mid Cap Stocks	Virtus Ceredex Mid-Cap Value Equity Fund - Class I	SMVTX	\$681,748	0.38%	0.00%	1.04%	0.50%	1.42%	N/A	2/18/2015
Large Cap Stocks	Fundamental Investors - Class R6	RFNGX	\$1,456,636	0.38%	0.00%	0.28%	0.00%	0.66%	N/A	1/6/2019
Large Cap Stocks	T. Rowe Price New America Growth Fund	FRWAX	\$2,494,366	0.38%	0.00%	0.78%	0.15%	1.16%	N/A	5/18/2015
Large Cap Stocks	Vanguard 500 Index Fund - Admiral	VFIAX	\$1,607,712	0.38%	0.00%	0.04%	0.00%	0.42%	N/A	5/18/2015
Large Cap Stocks	Vanguard Equity-Income - Admiral	VERX	\$1,404,176	0.38%	0.00%	0.18%	0.00%	0.56%	N/A	2/18/2015
Large Cap Stocks	Vanguard Growth Index Fund - Admiral	VIGAX	\$1,174,879	0.38%	0.00%	0.05%	0.00%	0.43%	N/A	2/18/2015
Large Cap Stocks	Washington Mutual Investors Fund - Class R6	RWMGX	\$1,203,176	0.38%	0.00%	0.27%	0.00%	0.65%	N/A	1/16/2019
Balanced	American Funds American Balanced Fund - Class R6	RLBGX	\$3,207,821	0.38%	0.00%	0.26%	0.00%	0.64%	N/A	2/18/2015
Bonds	Metropolitan West Funds - Total Return Bond Fund - Class I	MVVTX	\$1,206,228	0.38%	0.00%	0.46%	0.10%	0.84%	N/A	2/18/2015
Bonds	PIMCO Real Return Fund - Inst.	PRRX	\$426,172	0.38%	0.00%	0.53%	0.00%	0.91%	N/A	2/18/2015
Bonds	Vanguard Total Bond Market Index Fund - Admiral	VBTLX	\$1,552,052	0.38%	0.00%	0.05%	0.00%	0.43%	N/A	2/18/2015
Fixed	Nationwide Guaranteed Fund	NA	\$5,819,737	0.38%	0.00%	0.00%	0.00%	0.38%	N/A	6/21/2006
TOTAL			\$40,481,554							

*Note if the administration fee is a fixed hard dollar fee or if there is a cap on the amount.



REQUEST FOR PROPOSAL

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ATTACHMENT B

Nationwide Plan Documents

CITY OF SURPRISE

(Name of Employer)

DEFERRED COMPENSATION PLAN FOR PUBLIC EMPLOYEES

457 GOVERNMENTAL PLAN AND TRUST

Document provided as a courtesy of:



Nationwide[®]
Retirement Solutions

On Your Side[™]

457 GOVERNMENTAL PLAN AND TRUST

The Employer adopts this 457 Governmental Plan and Trust. The Plan is intended to be an “eligible deferred compensation plan” as defined in Code §457(b) of the Internal Revenue Code of 1986 (“Eligible 457 Plan”). The Plan consists of the provisions set forth in this plan document and is applicable to the Employer and each Employee who elects to participate in the Plan. If the Employer adopts this Plan as a restated Plan in substitution for, and in amendment of, an existing plan, the provisions of this Plan, as a restated Plan, apply solely to an Employee on or after the execution of this Plan. The Plan is effective as to each Employee upon the date he/she becomes a Participant by entering into and filing with the Employer or the Administrative Services Provider a Participation Agreement or an Acknowledgement Form/Card.

ARTICLE I DEFINITIONS

1.01 **“Account”** means the separate Account(s) which the Administrative Services Provider or the Trustee maintains under the Plan for a Participant’s Deferred Compensation. The Administrative Services Provider or Trustee may establish separate Accounts for multiple Beneficiaries of a Participant to facilitate required minimum distributions under Section 4.03 based on each Beneficiary’s life expectancy.

1.02 **“Accounting Date”** means the last day of the Plan Year.

1.03 **“Acknowledgement Form/Card”** means the application to the Administrative Services Provider to participate in the Plan when the Plan is a Social Security replacement plan.

1.04 **“Administrative Services Provider”** means Nationwide Retirement Solutions, Inc. which acts as the third party administrative services provider appointed by the Employer to carry out nondiscretionary administrative functions for the Plan.

1.05 **“Beneficiary”** means a person who the Plan or a Participant designates and who is or may become entitled to a Participant’s Account upon the Participant’s death. A Beneficiary who becomes entitled to a benefit under the Plan remains a Beneficiary under the Plan until the Beneficiary has received full distribution of his/her Plan benefit. A Beneficiary’s right to (and the Administrative Services Provider’s or a Trustee’s duty to provide to the Beneficiary) information or data concerning the Plan does not arise until the Beneficiary first becomes entitled to receive a benefit under the Plan.

1.06 **“Code”** means the Internal Revenue Code of 1986, as amended.

1.07 **“Compensation”** for purposes of allocating Deferral Contributions means the employee’s wages, salaries, fees for professional services, and other amounts received without regard to whether or not an amount is paid in cash for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income (or to the extent amount would have been received and includible in gross income but for an election under Code §§ 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), and 457(b), including an election to defer Compensation under Article III. See Section 1.16 as to Compensation for an Independent Contractor. Compensation also includes any amount that the Internal Revenue Service in published guidance declares to constitute compensation for purposes of an Eligible 457 Plan.

(A) Elective Contributions. Compensation under Section 1.07 includes Elective Contributions. “Elective Contributions” are amounts excludible from the Employee’s gross income under Code §§125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b), 408(p) or 457, and contributed by the Employer, at the Employee’s election, to a cafeteria plan, a qualified transportation fringe benefit plan, a 401(k) arrangement, a SARSEP, a tax-sheltered annuity, a SIMPLE plan or a Code § 457 plan.

(B) Differential wage payments. For years beginning after December 31, 2008, (i) an individual receiving a differential wage payment, as defined by Code § 3401(h)(2), shall be treated as an employee of the employer making the payment; (ii) the differential wage payment shall be treated as compensation; and (iii) the plan will not be treated as failing to meet the requirements of any provision described in Code §414(u)(1)(C) by reason of any contribution or benefit which is based on the differential wage payment.

1.08 **“Deferral Contributions”** means Salary Reduction Contributions, Nonelective Contributions and Matching Contributions. The Employer or the Administrative Services Provider (if applicable) in applying the Code § 457(b) limit will take into account Deferral Contributions in the Taxable Year in which deferred. The Employer or Administrative Services Provider (if applicable) in determining the amount of a Participant’s Deferral Contributions disregards the net income, gain and loss attributable to Deferral Contributions.

1.09 **“Deferred Compensation”** means as to a Participant the amount of Deferral Contributions,

457 Governmental Plan and Trust

Rollover Contributions and Transfers adjusted for allocable net income, gain or loss, in the Participant's Account.

1.10 **"Effective Date"** of this Plan is the date indicated on the execution line unless the Code, Treasury regulations, or other applicable guidance provides otherwise.

1.11 **"Employee"** means an individual who provides services for the Employer, as a common law employee of the Employer. See Section 1.16 regarding potential treatment of an Independent Contractor as an Employee.

1.12 **"Employer"** means an employer who adopts this Plan by executing the Plan.

1.13 **"Employer Contribution"** means Nonelective Contributions or Matching Contributions.

1.14 **"Excess Deferrals"** means Deferral Contributions to an Eligible 457 Plan for a Participant that exceed the Taxable Year maximum limitation of Code §§457(b) and (e)(18).

1.15 **"Includible Compensation"** means, for the Employee's Taxable Year, the Employee's total Compensation within the meaning of Code § 415(c)(3) paid to an Employee for services rendered to the Employer. Includible Compensation includes Deferral Contributions under the Plan, compensation deferred under any other plan described in Code §457, and any amount excludible from the Employee's gross income under Code §§401(k), 403(b), 125 or 132(f)(4) or any other amount excludible from the Employee's gross income for Federal income tax purposes. The Employer will determine Includible Compensation without regard to community property laws.

1.16 **"Independent Contractor"** means any individual who performs service for the Employer and who the Employer does not treat as an Employee or a Leased Employee. The Employer may permit Independent Contractors to participate in the Plan. To the extent that the Employer permits Independent Contractor participation, references to Employee in the Plan include Independent Contractors and Compensation means the amounts the Employer pays to the Independent Contractor for services.

1.17 **"Leased Employee"** means an Employee within the meaning of Code § 414(n).

1.18 **"Matching Contribution"** means an Employer fixed or discretionary contribution made or forfeiture allocated on account of Salary Reduction Contributions. The Employer may provide for matching contributions.

1.19 **"Nonelective Contribution"** means an Employer fixed or discretionary contribution not made as a result of a Participation Agreement and which is not a Matching Contribution. The Employer may provide for nonelective contributions.

1.20 **"Normal Retirement Age"** means the age designated by the Participant unless the Employer designates in writing a Normal Retirement Age. The Normal Retirement Age designated by the Participant or Employer shall be no earlier than age 65 or the age at which Participants have the right to retire and receive, under the basic defined benefit pension plan of the Employer (or a money purchase plan in which the Participant also participates if the Participant is not eligible to participate in a defined benefit plan), immediate retirement benefits without actuarial or similar reduction because of retirement before some later specified age. The Normal Retirement Age also shall not exceed age 70½.

Special Rule for Eligible Plans of Qualified Police or Firefighters. A Participant who is a qualified police officer or firefighter as defined under Code §415(b)(2)(H)(ii)(I) may designate a Normal Retirement Age between age 40 and age 70 ½.

1.21 **"Participant"** is an Employee who elects to participate in the Plan in accordance with the provisions of Section 2.01 or an individual who has previously deferred Compensation under the Plan by a Participation Agreement and has not received a complete distribution of his/her Account.

1.22 **"Participation Agreement"** means the agreement to enroll and participate in the Plan that is completed by the Participant and provided to the Administrative Services Provider. The Participation Agreement is the agreement, by which the Employer reduces the Participant's Compensation for contribution to the Participant's Account.

1.23 **"Plan"** means the 457 plan established or continued by the Employer in the form of this Plan and (if applicable) Trust Agreement. All section references within the Plan are Plan section references unless the context clearly indicates otherwise.

1.24 **"Plan Entry Date"** means the date on which an Employee completes and files a Participation Agreement with the Administrative Services Provider.

1.25 **"Plan Year"** means the calendar year.

1.26 **"Rollover Contribution"** means the amount of cash or property which an eligible retirement plan described in Code §402(c)(8)(B) distributes to an eligible Employee or to a Participant in an eligible rollover distribution under Code §402(c)(4) and which the eligible Employee or Participant transfers directly or indirectly to an

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Eligible 457 Plan. A Rollover Contribution includes net income, gain or loss attributable to the Rollover Contribution. A Rollover Contribution excludes after-tax Employee contributions, as adjusted for net income, gain or loss.

1.27 **“Salary Reduction Contribution”** means a contribution the Employer makes to the Plan pursuant to a Participation Agreement.

1.28 **“Service”** means any period of time the Employee is in the employ of the Employer. In the case of an Independent Contractor, Service means any period of time the Independent Contractor performs services for the Employer on an independent contractor basis. An Employee or Independent Contractor terminates Service upon incurring a Severance from Employment.

(A) Qualified Military Service. Service includes any qualified military service the Plan must credit for contributions and benefits in order to satisfy the crediting of Service requirements of Code §414(u). A Participant whose employment is interrupted by qualified military service under Code §414(u) or who is on a leave of absence for qualified military service under Code §414(u) may elect to make additional Salary Reduction Contributions upon resumption of employment with the Employer equal to the maximum Deferral Contributions that the Participant could have elected during that period if the Participant’s employment with the Employer had continued (at the same level of Compensation) without the interruption of leave, reduced by the Deferral Contributions, if any, actually made for the Participant during the period of the interruption or leave. This right applies for five years following the resumption of employment (or, if sooner, for a period equal to three times the period of the interruption or leave). The Employer shall make appropriate make-up Nonelective Contributions and Matching Contributions for such a Participant as required under Code §414(u). The Plan shall apply limitations of Article III to all Deferral Contributions under this paragraph with respect to the year to which the Deferral Contribution relates.

(B) “Continuous Service” means Service with the Employer during which the Employee does not incur a Severance from Employment.

(C) “Severance from Employment.”

(1) **Employee.** An Employee has a Severance from Employment when the Employee ceases to be an Employee of the Employer. A Participant does not incur a Severance from Employment if, in connection with a change in employment, the Participant’s new employer continues or assumes sponsorship of the Plan or accepts a Transfer of Plan assets as to the Participant.

(2) **Independent Contractor.** An Independent Contractor has a Severance from Employment when the contract(s) under which the Independent Contractor performs services for the Employer expires (or otherwise terminates), unless the Employer anticipates a renewal of the contractual relationship or the Independent Contractor becoming an Employee. The Employer anticipates renewal if it intends to contract for the services provided under the expired contract and neither the Employer nor the Independent Contractor has eliminated the Independent Contractor as a potential provider of such services under the new contract. Further, the Employer intends to contract for services conditioned only upon the Employer’s need for the services provided under the expired contract or the Employer’s availability of funds. Notwithstanding the preceding provisions of this Section 1.28, the Administrative Services Provider will consider an Independent Contractor to have incurred a Severance from Employment: (a) if the Administrative Services Provider or Trustee will not pay any Deferred Compensation to an Independent Contractor who is a Participant before a date which is at least twelve months after the expiration of the Independent Contractor’s contract (or the last to expire of such contracts) to render Services to the Employer; and (b) if before the applicable twelve-month payment date, the Independent Contractor performs Service as an Independent Contractor or as an Employee, the Administrative Services Provider or Trustee will not pay to the Independent Contractor his/her Deferred Compensation on the applicable date.

(3) **Uniformed Services.** for purposes of distributions to an individual in the uniformed services, such individual will be treated as incurring a Severance from Employment during any period the individual is performing service in the uniformed services described in Code § 3401(h)(2)(A). However, the plan will not distribute the benefit to such an individual without that individual’s consent, so long as the individual is receiving differential wage payments.

If an individual elects to receive a distribution under this provision, the individual may not make an elective deferral or employee contribution during the 6-month period beginning on the date of the distribution.

1.29 **“State”** means (a) one of the 50 states of the United States or the District of Columbia, or (b) a political subdivision of a State, or any agency or instrumentality of a State or its political subdivision. A State does not include the federal government or any agency or instrumentality thereof.

1.30 **“Taxable Year”** means the calendar year or other taxable year of a Participant.

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1.31 **“Transfer”** means a transfer of Eligible 457 Plan assets to another Eligible 457 Plan which is not a Rollover Contribution and which is made in accordance with Section 9.03.

1.32 **“Trust”** means the Trust created under the adopting Employer’s Plan. The Trust created and established under the adopting Employer’s Plan is a separate Trust, independent of the trust of any other Employer adopting this Eligible 457 Plan and is subject to Article VIII.

1.33 **“Trustee”** means the person or persons designated by the Employer to serve in the position of Trustee.

ARTICLE II PARTICIPATION IN PLAN

2.01 ELIGIBILITY. Each Employee becomes a Participant in the Plan as soon as he/she completes and files a Participation Agreement. If this Plan is a restated Plan, each Employee who was a Participant in the Plan on the day before the Effective Date continues as a Participant in the Plan.

2.02 PARTICIPATION UPON RE-EMPLOYMENT. A Participant who incurs a Severance from Employment will re-enter the Plan as a Participant on the date of his/her re-employment.

2.03 SPECIAL ELIGIBILITY PROVISIONS FOR PARTICIPANTS IN A PLAN USED AS A SOCIAL SECURITY REPLACEMENT PLAN. Notwithstanding any provision to the contrary, the provisions of this Section 2.03 will apply if the Employer elects in a written agreement with the Administrative Services Provider to use the Plan as a Social Security replacement plan. If the Plan is used as a Social Security replacement plan, the provisions of Sections 4.05(a) and 5.03 will not apply.

(A) Eligibility to participate for new Employees. A new Employee shall, as a condition of employment participate in the Plan sign and file with the Administrative Services Provider an Acknowledgement Form/Card and thereby consenting to a reduction of salary by the amount of the Deferral Contribution specified in the Acknowledgement Form/Card. Contributions to the Participant’s Account must equal at least 7.5% of the Participant’s Compensation, or such other minimum amount as shall be required for the Plan to be considered a retirement system under Code §3121(b)(7)(F) and Treas. Reg. 31.3121(b)(7)-2, and the reduction in the Participant’s salary shall begin immediately thereafter.

(B) Eligibility to participate for current Employees. An Employee who is newly eligible to participate in the Plan shall, prior to becoming eligible to participate in the Plan, sign and file with

the Administrative Services Provider an Acknowledgement Form/Card and thereby consent to a reduction of salary by the amount of the Deferral Contribution specified in the Acknowledgement Form/Card. Allocations to the Participant’s Account must equal at least 7.5% of the Participant’s Compensation or such other minimum amount as shall be required for the Plan to be considered a retirement system under Code §3121(b)(7)(F) and Treas. Reg. §31.3121(b)(7)-2, and the reduction in the Participant’s salary shall begin no earlier than the first pay period commencing during the first month after the date on which the Acknowledgement Form/Card is filed with the Administrative Services Provider.

(C) Takeover Plans. If the Plan is a restated Plan, an Employee who participated in the predecessor plan shall become a Participant in the Plan upon the Employer’s execution of the enabling documents for this Plan. Allocations to each such Participant’s Account must equal at least 7.5% of the Participant’s Compensation, or such other minimum amount as shall be required for the Plan to be considered a retirement system under Code §3121(b)(7)(F) and Treas. Reg. §31.3121(b)(7)-2, and the reduction in the Participant’s salary shall begin immediately thereafter.

ARTICLE III DEFERRAL CONTRIBUTIONS/LIMITATIONS

3.01 AMOUNT.

(A) Contribution Formula. For each Plan Year, the Employer will contribute to the Plan the amount of Deferral Contributions the Employee elects to defer under the Plan.

(B) Return of Contributions. The Employer contributes to this Plan on the condition its contribution is not due to a mistake of fact. If any Participant Salary Reduction Contribution is due to a mistake of fact, the Employer or the Trustee upon written request from the Employer will return the Participant’s contribution, within one year after payment of the contribution.

The Trustee may require the Employer to furnish it whatever evidence the Trustee deems necessary to enable the Trustee to confirm the amount the Employer has requested be returned is properly returnable.

(C) Time of Payment of Contribution. An Employer will deposit Salary Reduction Contributions to the Trust within a period that is not longer than is reasonable for the administration of Participant Accounts. Neither the Administrative Services Provider nor the Trustee is responsible for the delay of deposits of Salary Reduction Contributions caused by the Employer.

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3.02 SALARY REDUCTION CONTRIBUTIONS. The Plan does not apply any limitations on Salary Reduction Contributions other than the limitations applicable under the Code.

(A) Deferral from Sick, Vacation and Back Pay. Participants may make Salary Reduction Contributions from accumulated sick pay, from accumulated vacation pay or from back pay.

(B) Application to Leave of Absence and Disability. The Participation Agreement will continue to apply during the Participant's leave of absence or the Participant's disability (as the Employer shall establish), if the Participant has Compensation other than imputed compensation or disability benefits.

(C) Post-severance deferrals limited to Post-Severance Compensation. Deferral Contributions are permitted from an amount received following Severance from Employment only if the amount is Post-Severance Compensation.

Post-Severance Compensation defined. Post-Severance Compensation includes the amounts described in (1) and (2) below, paid after a Participant's Severance from Employment with the Employer, but only to the extent such amounts are paid by the later of 2½ months after Severance from Employment or the end of the calendar year that includes the date of such Severance from Employment.

(1) Regular pay. Post-Severance Compensation *includes* regular pay after Severance of Employment if: (i) the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and (ii) the payment would have been paid to the Participant prior to a Severance from Employment if the Participant had continued in employment with the Employer.

(2) Leave cashouts. Post-Severance Compensation *includes* leave cashouts if those amounts would have been included in the definition of Compensation if they were paid prior to the Participant's Severance from Employment, and the amounts are payment for unused accrued bona fide sick, vacation, or other leave, but only if the Participant would have been able to use the leave if employment had continued.

(3) Salary continuation payments for military service Participants. Post-Severance Compensation includes payments to an individual who does not currently perform services for the Employer by

reason of Qualified Military Service (as described in Code §414(u)(1)) to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering Qualified Military Service.

Limitation on Post-Severance Compensation. Any payment of Compensation paid after Severance of Employment that is not described in Section 3.02(C)(1) or 3.02(C)(2) is not Post-Severance Compensation, even if payment is made by the later of 2½ months after Severance from Employment or by the end of the calendar year that includes the date of such Severance of Employment.

3.03 NORMAL LIMITATION. Except as provided in Sections 3.04 and 3.05, a Participant's maximum Deferral Contributions (excluding Rollover Contributions and Transfers) under this Plan for a Taxable Year may not exceed the lesser of:

(a) The applicable dollar amount as specified under Code §457(e)(15) (or, beginning January 1, 2006) such larger amount as the Commissioner of the Internal Revenue may prescribe), or

(b) 100% of the Participant's Includible Compensation for the Taxable Year.

3.04 NORMAL RETIREMENT AGE CATCH-UP CONTRIBUTION. For one or more of the Participant's last three Taxable Years ending before the Taxable Year in which the Participant attains Normal Retirement Age, the Participant's maximum Deferral Contributions may not exceed the lesser of:

(a) Twice the dollar amount under Section 3.03 normal limitation, or (b) the underutilized limitation.

(A) Underutilized Limitation. A Participant's underutilized limitation is equal to the sum of: (i) the normal limitation for the Taxable Year, and (ii) the normal limitation for each of the prior Taxable Years of the Participant commencing after 1978 during which the Participant was eligible to participate in the Plan and the Participant's Deferral Contributions were subject to the normal limitation or any other Code § 457(b) limit, *less* the amount of Deferral Contributions for each such prior Taxable Year, excluding age 50 catch-up contributions.

(B) Multiple 457 Plans. If the Employer maintains more than one Eligible 457 Plan, the Plans may not permit any Participant to have more than one Normal Retirement Age under the Plans.

(C) Pre-2002 Coordination. In determining a Participant's underutilized limitation, the

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coordination rule in effect under now repealed Code §457(c)(2) applies. Additionally, the normal limitation for pre-2002 Taxable Years is applied in accordance with Code § 457(b)(2) as then in effect.

3.05 AGE 50 CATCH-UP CONTRIBUTION. All Employees who are eligible to make Salary Reduction Contributions under this Plan and who have attained age 50 before the close of the Taxable Year are eligible to make age 50 catch-up contributions for that Taxable Year in accordance with, and subject to the limitations of, Code § 414(v). Such catch-up contributions are not taken into account for purposes of the provisions of the plan implementing the required limitations of Code § 457. If, for a Taxable Year, an Employee makes a catch-up contribution under Section 3.04, the Employee is not eligible to make age 50 catch-up contributions under this Section 3.05. A catch-up eligible Participant in each Taxable Year is entitled to the greater of the amount determined under Section 3.04 or Section 3.05 catch-up amount plus the Section 3.03 normal limitation.

3.06 CONTRIBUTION ALLOCATION. The Administrative Services Provider will allocate to each Participant's Account his/her Deferral Contributions.

3.07 ALLOCATION CONDITIONS. The Plan does not impose any allocation conditions.

3.08 ROLLOVER CONTRIBUTIONS. The Plan permits Rollover Contributions.

(A) Operational Administration. The Employer, operationally and on a nondiscriminatory basis, may elect to permit or not to permit Rollover Contributions to this Plan or may elect to limit an eligible Employee's right or a Participant's right to make a Rollover Contribution. If the Employer permits Rollover Contributions, any Participant (or as applicable, any eligible Employee), with the Employer's written consent and after filing with the Trustee the form prescribed by the Administrative Services Provider, may make a Rollover Contribution to the Trust. Before accepting a Rollover Contribution, the Trustee may require a Participant (or eligible Employee) to furnish satisfactory evidence the proposed transfer is in fact a "Rollover Contribution" which the Code permits an employee to make to an eligible retirement plan. The Trustee, in its sole discretion, may decline to accept a Rollover Contribution of property which could: (1) generate unrelated business taxable income; (2) create difficulty or undue expense in storage, safekeeping or valuation; or (3) create other practical problems for the Trust.

(B) Pre-Participation Rollover. If an eligible Employee makes a Rollover Contribution to the Trust prior to satisfying the Plan's eligibility conditions,

the Administrative Services Provider and Trustee must treat the Employee as a limited Participant (as described in Rev. Rul. 96-48 or in any successor ruling). If a limited Participant has a Severance from Employment prior to becoming a Participant in the Plan, the Trustee will distribute his/her Rollover Contributions Account to the limited Participant in accordance with Article IV.

(C) Separate Accounting. If an Employer permits Rollover Contributions, the Administrative Services Provider must account separately for: (1) amounts rolled into this Plan from an eligible retirement plan (other than from another Eligible 457 plan); and (2) amounts rolled into this Plan from another Eligible 457 Plan. The Administrative Services Provider for purposes of ordering any subsequent distribution from this Plan may designate a distribution from a Participant's Rollover Contributions as coming first from either of (1) or (2) above if the Participant has both types of Rollover Contribution Accounts.

3.09 DISTRIBUTION OF EXCESS DEFERRALS. In the event that a Participant has Excess Deferrals, the Plan will distribute to the Participant the Excess Deferrals and allocable net income, gain or loss, in accordance with this Section 3.09.

The Administrative Services Provider will distribute Excess Deferrals from an Eligible 457 Plan as soon as is reasonably practicable following the Administrative Services Provider's or Employer's determination of the amount of the Excess Deferral.

(A) Plan Aggregation. If the Employer maintains more than one Eligible 457 Plan, the Employer must aggregate all such Plans in determining whether any Participant has Excess Deferrals.

(B) Individual Limitation. If a Participant participates in another Eligible 457 Plan maintained by a different employer, and the Participant has Excess Deferrals, the Administrative Services Provider may, but is not required, to correct the Excess Deferrals by making a corrective distribution from this Plan.

3.10 DOLLAR LIMITS. The table below shows the applicable dollar amounts described in paragraph 3.03(a) and limitations on age 50 catch-up contributions described in Section 3.05. These amounts are adjusted after 2006 for changes in the cost-of-living to the extent permitted in Code § 415(d).

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Year	Applicable Dollar Amount	Age 50+ Catch-up Contribution Limitation
2002	\$11,000	\$1,000
2003	\$12,000	\$2,000
2004	\$13,000	\$3,000
2005	\$14,000	\$4,000
2006	\$15,000	\$5,000

**ARTICLE IV
TIME AND METHOD OF
PAYMENT OF BENEFITS**

4.01 DISTRIBUTION

RESTRICTIONS. Except as the Plan provides otherwise, the Administrative Services Provider or Trustee may not distribute to a Participant his/her Account prior to the Participant's Severance from Employment, the calendar year in which the Participant attains age 70½, or such other event for which federal legislation is enacted or regulatory relief granted permitting the Plan to make distributions to qualifying Participants.

(A) Distribution of Rollover Contributions. To the extent the Employer permits Rollover Contributions (but not Transfers) to this Plan, a Participant may receive a distribution of such Rollover Contributions without regard to the restrictions found in this Section 4.01.

4.02 TIME AND METHOD OF PAYMENT OF ACCOUNT. The Administrative Services Provider, or Trustee at the direction of the Administrative Services Provider, will distribute to a Participant who has incurred a Severance from Employment the Participant's Account under one or any combination of payment methods elected by the Participant. The Participant may elect one of the following methods of payment: (1) lump sum payment, (2) partial lump sum payment, (3) installment, or (4) an annuity. In no event will the Administrative Services Provider direct (or direct the Trustee to commence) distribution, nor will the Participant elect to have distribution commence, later than the Participant's required beginning date, or under a method that does not satisfy Section 4.03.

Subject to any restrictions imposed by the Participant's investment providers and the Administrative Services Provider, the Participant: (1) may elect to commence distribution no earlier than is administratively practical following Severance from Employment; (2) may elect to postpone distribution of his/her Account to any fixed or determinable date including, but not beyond, the Participant's required beginning date; and (3) may elect the method of payment. A Participant may elect the timing and method of payment of his/her Account no later than

30 days before the date the Participant first would be eligible to commence payment of the Participant's Account. The Administrative Services Provider must furnish to the Participant a form for the Participant to elect the time and a method of payment.

4.03 REQUIRED MINIMUM DISTRIBUTIONS. The Administrative Services Provider may not distribute nor direct the Trustee to distribute the Participant's Account, nor may the Participant elect any distribution his/her Account, under a method of payment which, as of the required beginning date, does not satisfy the minimum distribution requirements of Code § 401(a)(9) or which is not consistent with applicable Treasury regulations.

(A) General Rules.

(1) **Precedence.** The requirements of this Section 4.03 will take precedence over any inconsistent provisions of the Plan.

(2) **Requirements of Treasury Regulations Incorporated.** All distributions required under this Section 4.03 will be determined and made in accordance with the Treasury regulations under Code § 401(a)(9).

(B) Time and Manner of Distribution

(1) **Required Beginning Date.** The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(2) **Death of Participant Before Distribution Begins.** If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(a) **Spouse Designated Beneficiary.** If the Participant's surviving spouse is the Participant's sole designated Beneficiary, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant dies, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(b) **Non-Spouse Designated Beneficiary.** If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then, distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(c) **No Designated Beneficiary.** If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by

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December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(d) Death of Spouse. If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 4.03(B)(2) other than Section 4.03(B)(2)(a), will apply as if the surviving spouse were the Participant.

For purposes of this Section 4.03(B) and Section 4.03(D), unless Section 4.03(B)(2)(d) applies, distributions are considered to begin on the Participant's required beginning date. If Section 4.03(B)(2)(d) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 4.03(B)(2)(a). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 4.03(B)(2)(a), the date distributions are considered to begin is the date distributions actually commence.

(3) **Forms of Distribution**. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 4.03(C) and 4.03(D). If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section 4.01(a)(9) of the Code and the Treasury regulations.

(C) Required Minimum Distributions during Participant's Lifetime.

(1) **Amount of Required Minimum Distribution for Each Distribution Calendar Year**. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(a) ULT. The quotient obtained by dividing the Participant's account balance by the number in the Uniform Life Table set forth in Treas. Reg. §1.401(a)(9)-9, using the Participant's attained age as of the Participant's birthday in the distribution calendar year; or

(b) Younger Spouse. If the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Treas. Reg. §1.401(a)(9)-9, using the Participant's and spouse's attained ages as of the

Participant's and spouse's birthdays in the distribution calendar year.

(2) **Lifetime Required Minimum Distributions Continue Through Year of Participant's Death**. Required minimum distributions will be determined under this Section 4.03(C) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(D) Required Minimum Distributions after Participant's Death.

(1) Death On or After Distributions Begin.

(a) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for the distribution calendar year of the Participant's death is obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant. The Participant's remaining life expectancy is calculated using the attained age of the Participant as of the Participant's birthday in the calendar year of death. For each distribution calendar year after the year of the Participant's death, the minimum amount that will be distributed is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary.

(b) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the calendar year after the calendar year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the calendar year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the attained age of the Participant as of the Participant's birthday in the calendar year of death, reduced by one for each subsequent calendar year.

(2) Death before Date Distributions Begin.

(a) Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 4.03(D)(1).

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(b) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(c) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 4.03(B)(2)(a), this Section 4.03(D)(2) will apply as if the surviving spouse were the Participant.

(E) Definitions

(1) **Designated Beneficiary.** The individual who is designated as the Beneficiary under the Plan and is the designated beneficiary under Code §401(a)(9) and Treas. Reg. §1.401(a)(9)-1, Q&A-4.

(2) **Distribution calendar year.** A distribution calendar year means a calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which the distributions are required to begin under Section 4.03(B)(2). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

(3) **Life expectancy.** Life expectancy as computed by use of the Single Life Table in Treas. Reg. §1.401(a)(9)-9.

(4) **Participant's account balance.** The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any Rollover Contributions or Transfers to

the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(5) **Required beginning date.** A Participant's required beginning date is the April 1 of the calendar year following the later of: (1) the calendar year in which the Participant attains age 70½, or (2) the calendar year in which the Participant retires or such other date under Code § 401(a)(9) by which required minimum distributions must commence.

(F) **General 2009 waiver.** The requirements of Code § 401(a)(9) and the provisions of the Plan relating thereto, will not apply for the distribution calendar year 2009.

(1) **Special rule regarding waiver period.** For purposes of Code § 401(a)(9) and the provisions of the Plan relating thereto: (a) the required beginning date with respect to any individual will be determined without regard to this Article IV for purposes of applying Code § 401(a)(9) for distribution calendar years other than 2009; and (b) if the 5-year rule of Code § 401(a)(9)(B)(ii) applies, the 5-year period described therein shall be determined without regard to calendar year 2009.

(2) **Eligible rollover distributions.** If all or any portion of a distribution during 2009 is treated as an eligible rollover distribution but would not be so treated if the minimum distribution requirements under Code § 401(a)(9) had applied during 2009, then the Plan will not treat such distribution as an eligible rollover distribution for purposes of the direct rollover rules of Code § 401(a)(31), the notice requirements of Code §402(f), or the 20% withholding requirement of Code §3405(c).

(3) **Participant may elect.** The Plan will permit an affected Participant to elect whether to receive his/her RMD distribution for 2009. If the Participant fails to notify the Administrative Services Provider of his/her waiver, the Plan will distribute the 2009 RMD to the Participant.

4.04 DEATH BENEFITS. Upon the death of the Participant, the Administrative Services Provider must pay or direct the Trustee to pay the Participant's Account in accordance with Section 4.03. Subject to Section 4.03, a Beneficiary may elect the timing and method of payment in the same manner as a Participant may elect under Section 4.02, if such elections apply.

In the case of a death occurring on or after January 1, 2007, if a participant dies while performing qualified military service (as defined in Code § 414(u)), the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the participant

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had resumed and then terminated employment on account of death.

4.05 DISTRIBUTIONS PRIOR TO SEVERANCE FROM EMPLOYMENT. Notwithstanding the Section 4.01 distribution restrictions, the Plan permits the following in-service distributions in accordance with this Section.

(A) Unforeseeable Emergency. In the event of a Participant's unforeseeable emergency, the Administrative Services Provider may make a distribution to a Participant who has not incurred a Severance from Employment.

An unforeseeable emergency is a severe financial hardship of a Participant or Beneficiary resulting from: (1) illness or accident of the Participant, the Participant's Beneficiary, or the Participant's spouse or dependent (as defined in Code § 152, and, for taxable years beginning on or after January 1, 2005, without regard to Code § 152(b)(1), (b)(2), and (d)(1)(B)); (2) loss of the Participant's or Beneficiary's property due to casualty; (3) the need to pay for the funeral expenses of the Participant's spouse or dependent (as defined in Code § 152, and, for taxable years beginning on or after January 1, 2005, without regard to Code § 152(b)(1), (b)(2), and (d)(1)(B)); or (4) other similar extraordinary and unforeseeable circumstances arising from events beyond the Participant's or Beneficiary's control. The Administrative Services Provider will not pay the Participant or the Beneficiary more than the amount reasonably necessary to satisfy the emergency need, which may include amounts necessary to pay taxes or penalties on the distribution. The Administrative Services Provider will not make payment to the extent the Participant or Beneficiary may relieve the financial hardship by cessation of deferrals under the Plan, through insurance or other reimbursement, or by liquidation of the individual's assets to the extent such liquidation would not cause severe financial hardship.

The Participant's Beneficiary is a person who a Participant designates as a "primary beneficiary" and who is or may become entitled to a Participant's Plan account upon the Participant's death.

A Participant's unforeseeable emergency event includes a severe financial hardship of the participant's primary Beneficiary under the Plan, that would constitute an emergency event if it occurred with respect to the participant's spouse or dependent as defined under Code § 152.

(B) De minimis distribution. A Participant may elect to receive a distribution of his/her Account where: (1) the Participant's Account (disregarding Rollover Contributions) does not exceed \$5,000 (or such other amount as does not exceed the Code § 411(a)(11)(A) dollar amount); (2) the Participant has

not made or received an allocation of any Deferral Contributions under the Plan during the two-year period ending on the date of distribution; and (3) the Participant has not received a prior distribution under this Section 4.05(B).

(C) Distribution of Rollover Contributions. A Participant may request and receive distribution of his/her Account attributable to Rollover Contributions (but not to Transfers) before the Participant has a distributable event under Section 4.01.

4.06 DISTRIBUTIONS UNDER QUALIFIED DOMESTIC RELATIONS ORDERS (QDROs). Notwithstanding any other provision of this Plan, the QDRO provisions will apply. The Administrative Services Provider (and any Trustee) must comply with the terms of a QDRO, as defined in Code § 414(p), which is issued with respect to the Plan.

(A) Time and Method of Payment. This Plan specifically permits distribution to an alternate payee under a QDRO at any time, notwithstanding any contrary Plan provision and irrespective of whether the Participant has attained his/her earliest retirement age (as defined under Code § 414(p)) under the Plan. Nothing in this Section 4.06 gives a Participant a right to receive distribution at a time the Plan otherwise does not permit nor authorizes the alternate payee to receive a form of payment the Plan does not permit.

(B) QDRO Procedures. Upon receiving a domestic relations order, the Administrative Services Provider promptly will notify the Participant and any alternate payee named in the order, in writing, of the receipt of the order and the Plan's procedures for determining the qualified status of the order. Within a reasonable period of time after receiving the domestic relations order, the Administrative Services Provider must determine the qualified status of the order and must notify the Participant and each alternate payee, in writing, of the Administrative Services Provider's determination. The Administrative Services Provider must provide notice under this paragraph by mailing to the individual's address specified in the domestic relations order.

(C) Accounting. If any portion of the Participant's Account Balance is payable under the domestic relations order during the period the Administrative Services Provider is making its determination of the qualified status of the domestic relations order, the Administrative Services Provider may maintain a separate accounting of the amounts payable. If the Administrative Services Provider determines the order is a QDRO within 18 months of the date amounts first are payable following receipt of the domestic relations order, the Administrative Services Provider will distribute or will direct the Trustee to distribute the payable amounts in accordance with the

QDRO. If the Administrative Services Provider does not make its determination of the qualified status of the order within the 18-month determination period, the Administrative Services Provider will distribute or will direct the Trustee to distribute the payable amounts in the manner the Plan would distribute if the order did not exist and will apply the order prospectively if the Administrative Services Provider later determines the order is a QDRO.

To the extent it is not inconsistent with the provisions of the QDRO, the Administrative Services Provider may segregate or may direct the Trustee to segregate the QDRO amount in a segregated investment account. The Administrative Services Provider or Trustee will make any payments or distributions required under this Section 4.06 by separate benefit checks or other separate distribution to the alternate payee(s).

(D) Permissible QDROs. A domestic relations order that otherwise satisfies the requirements for a qualified domestic relations order ("QDRO") will not fail to be a QDRO: (i) solely because the order is issued after, or revises, another domestic relations order or QDRO; or (ii) solely because of the time at which the order is issued, including issuance after the annuity starting date or after the participant's death.

4.07 DIRECT ROLLOVER OF ELIGIBLE ROLLOVER DISTRIBUTIONS – GOVERNMENTAL PLAN.

(A) Participant Election. A Participant (including for this purpose, a former Employee) may elect, at the time and in the manner the Administrative Services Provider prescribes, to have any portion of his/her eligible rollover distribution from the Plan paid directly to an eligible retirement plan specified by the Participant in a direct rollover election. For purposes of this election, a "Participant" includes as to their respective interests, a Participant's surviving spouse and the Participant's spouse or former spouse who is an alternate payee under a QDRO.

(B) Rollover and Withholding Notice. At least 30 days and not more than 180 days prior to the Trustee's distribution of an eligible rollover distribution, the Administrative Services Provider must provide a written notice (including a summary notice as permitted under applicable Treasury regulations) explaining to the distributee the rollover option, the applicability of mandatory 20% federal withholding to any amount not directly rolled over, and the recipient's right to roll over within 60 days after the date of receipt of the distribution ("rollover notice").

(C) Non-spouse Beneficiary rollover right. A non-spouse Beneficiary who is a "designated beneficiary" under Code § 401(a)(9)(E) and the regulations thereunder, by a direct trustee-to-trustee transfer

("direct rollover"), may roll over all or any portion of his/her distribution to an individual retirement account the Beneficiary establishes for purposes of receiving the distribution. In order to be able to roll over the distribution, the distribution otherwise must satisfy the definition of an eligible rollover distribution.

(1) Certain requirements not applicable. Although a non-spouse Beneficiary may roll over directly a distribution, commencing with distributions after December 31, 2009, the distribution will be subject to the direct rollover requirements of Code § 401(a)(31) (including the automatic rollover provisions of Code § 401(a)(31)(B)), the notice requirements of Code § 402(f) and the mandatory withholding requirements of Code § 3405(c). If a non-spouse Beneficiary receives a distribution from the Plan, the distribution is not eligible for a "60-day" rollover.

(2) Trust Beneficiary. If the participant's named Beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account on behalf of the trust, provided the trust satisfies the requirements to be a designated beneficiary within the meaning of Code § 401(a)(9)(E).

(3) Required minimum distributions not eligible for rollover. A non-spouse Beneficiary may not roll over an amount which is a required minimum distribution, as determined under applicable Treasury regulations and other Revenue Service guidance. If the participant dies before his/her required beginning date and the non-spouse Beneficiary rolls over to an IRA the maximum amount eligible for rollover, the Beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Treas. Reg. § 1.401(a)(9)-3, A-4(c), in determining the required minimum distributions from the IRA that receives the non-spouse Beneficiary's distribution.

(D) Definitions. The following definitions apply to this Section:

(1) Eligible rollover distribution. An eligible rollover distribution is any distribution of all or any portion of a Participant's Account, except an eligible rollover distribution does not include: (a) any distribution which is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Participant or the joint lives (or joint life expectancies) of the Participant and the Participant's designated Beneficiary, or for a specified period of ten years or more; (b) any Code § 401(a)(9) required minimum distribution; (c) any unforeseeable emergency distribution; and (d) any distribution which otherwise would be an eligible rollover distribution, but where the total distributions to the Participant during that calendar year are reasonably expected to be less than \$200.

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(2) **Eligible retirement plan.** An eligible retirement plan is an individual retirement account described in Code § 408(a), an individual retirement annuity described in Code § 408(b), an annuity plan described in Code § 403(a), a qualified plan described in Code § 401(a), an annuity contract (or custodial agreement) described in Code § 403(b), or an eligible deferred compensation plan described in Code § 457(b) and maintained by an Employer described in Code § 457(e)(1)(A), which accepts the Participant's, the Participant's spouse or alternate payee's eligible rollover distribution. For distributions made after December 31, 2007, a Participant or Beneficiary may elect to roll over directly an eligible rollover distribution to a Roth IRA described in Code § 408A(b).

(3) **Direct rollover.** A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

(4) **Mandatory distribution.** The Administrative Services Provider is directed to make a mandatory distribution, which is an eligible rollover distribution, without the Participant's consent provided that the Participant's Account is less than \$1,000. A distribution to a Beneficiary is not a mandatory distribution.

(5) **401(a)(31)(B) Effective Date.** The § 401(a)(31)(B) Effective Date is the date of the close of the first regular legislative session of the legislative body with the authority to amend the Plan that begins on or after January 1, 2006.

4.08 **ELECTION TO DEDUCT FROM DISTRIBUTION.** For distributions in taxable years beginning after December 31, 2006, an Eligible Retired Public Safety Officer may elect annually for that taxable year to have the Plan deduct an amount from a distribution which the Eligible Retired Public Safety Officer otherwise would receive and include in income. The plan will pay such deducted amounts directly to the provider as described in Section 4.08(A).

(A) **Direct payment.** The Plan will pay directly to the provider of the accident or health insurance plan or qualified long-term care insurance contract the amounts the Eligible Retired Public Safety Officer has elected to have deducted from the distribution. Such amounts may not exceed the lesser of \$3,000 or the amount the Participant paid for such taxable year for qualified healthcare premiums, and which otherwise complies with Code § 402(l).

(B) Definitions.

(1) **Eligible retired public safety officer.** An "Eligible Retired Public Safety Officer" is an individual who, by reason of disability or attainment

of normal retirement age, has experienced a Severance from Employment as a Public Safety Officer with the Employer.

(2) **Public safety officer.** A "Public Safety Officer" has the same meaning as in § 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. § 3796b(9)(A)).

(3) **Qualified health insurance premiums.** The term "qualified health insurance premiums" means premiums for coverage for the Eligible Retired Public Safety Officer, his/her spouse, and dependents, by an accident or health plan or qualified long-term care insurance contract (as defined in Code § 7702B(b)).

ARTICLE V ADMINISTRATIVE SERVICES PROVIDER - DUTIES

5.01 **TERM / VACANCY.** The Administrative Services Provider will serve until his/her successor is appointed. In case the Employer has not appointed a successor Administrative Services Provider, the Employer will exercise any and all duties of the Administrative Services Provider pending the filling of the vacancy.

5.02 **DUTIES.** The Administrative Services Provider will have the following duties:

- (a) To create administrative forms necessary for the proper and efficient administration of the Plan provided the forms are not inconsistent with the terms of the Plan;
- (b) To enforce the terms of the Plan and its procedures, including this document and such other documents related to the Plan's operation;
- (c) To make, at the direction of the Participant or Beneficiary or pursuant to Section 4.07(D)(4), distributions of an Account;
- (d) To review in accordance with the Plan's procedures respecting a claim for (or denial of a claim for) a benefit under the Plan;
- (e) To furnish the Employer with information which the Employer may require for tax or other purposes;
- (f) To make distributions on account of unforeseeable emergency in accordance with the Plan's procedures;
- (g) To accept Deferral Contributions, Employer Contributions, and Rollover Contributions;

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- (h) To accept Transfers;
- (i) To accept Participant or, in the case of a deceased Participant, Beneficiary direction of investment;
- (j) To comply with any reporting and disclosure rules applicable to the Plan;
- (k) To make loans to Participants if elected by the Employer;
- (l) To appoint agents to act for and in performing its third party administrative services to the Plan; and
- (m) To undertake any other action the Administrative Services Provider deems reasonable or necessary to provide third party administrative services to the Plan.

5.03 LOANS TO PARTICIPANTS. The Employer may elect to permit the Administrative Services Provider and/or Trustee to make Plan loans to Participants by executing a participant loan program document with the Administrative Services Provider. Any loan by the Plan to a Participant shall be made in compliance with Code § 72(p). If Plan loans are permitted, the Administrative Services Provider, with the approval and direction of the Employer, may establish, amend or terminate from time to time, nondiscriminatory administrative procedures for administering loans. Such loan procedures must be a written document and must include: (1) the procedure for applying for a loan; (2) the criteria for approving or denying a loan; (3) the limitations, if any, on the types and amounts of loans available; and (4) the events constituting default and the steps the Plan will take to preserve Plan assets in the event of default. Any administrative procedures adopted under this Section 5.03 shall be construed as part of the Plan.

5.04 INDIVIDUAL ACCOUNTS / RECORDS. The Administrative Services Provider will maintain a separate Account in the name of each Participant to reflect the value of the Participant's Deferred Compensation under the Plan.

5.05 VALUE OF PARTICIPANT'S ACCOUNT. The value of each Participant's Account consists of his/her accumulated Deferred Compensation, as of the most recent Accounting Date or any later date as the Administrative Services Provider may determine.

5.06 ALLOCATION OF NET INCOME, GAIN OR LOSS. As of each Accounting Date (and each other valuation date determined under Section 5.04), the Administrative Services Provider will adjust Accounts to reflect net income, gain or loss, if any, since the last Accounting Date or Account valuation.

The Administrative Services Provider will continue to allocate net income, gain and loss to a Participant's Account subject to an installment distribution, until the Account is fully distributed.

5.07 ACCOUNT CHARGED The Administrative Services Provider will charge all distributions made to a Participant or to his/her Beneficiary, or transferred under Section 9.03 from his/her Account, against the Account of the Participant when made.

5.08 PARTICIPANT DIRECTION OF INVESTMENT. Subject to the terms and conditions required by the Administrative Services Provider and the Trustee, if any, a Participant will have the right to direct the investment or re-investment of the assets comprising the Participant's Account. The Administrative Services Provider will account separately for the Participant-directed Accounts. The Participant's right to direct investment does not give the Participant any vested interest or secured or preferred position with respect to assets over which he/she has investment responsibility.

5.09 VESTING / SUBSTANTIAL RISK OF FORFEITURE. Each Participant's Account will be immediately 100% vested.

5.10 PRESERVATION OF ELIGIBLE PLAN STATUS. The Employer may take any such necessary and appropriate action to preserve the status of the Plan as an Eligible 457 Plan.

5.11 LIMITED LIABILITY. The Employer will not be liable to pay plan benefits to a Participant in excess of the value of the Participant's Account as the Administrative Services Provider determines in accordance with the Plan terms. The Employer, the Administrative Services Provider, or the Trustee will not be liable for losses arising from depreciation or shrinkage in the value of any investments acquired under this Plan.

5.12 LOST PARTICIPANTS. If the Administrative Services Provider is unable to locate any Participant or Beneficiary whose Account becomes distributable (a "lost Participant"), the Administrative Services Provider will apply the provisions of this Section 5.12.

(A) Attempt to Locate. The Administrative Services Provider will attempt to locate a lost Participant and may use one or more of the following methods: (1) provide a distribution notice to the lost Participant at his/her last known address by certified or registered mail; (2) use the IRS letter forwarding program under Rev. Proc. 94-22; (3) use a commercial locator service, the internet or other general search method; (4) use the Social Security Administration or PBGC search program; or (5) use such other methods as the Administrative Services Provider believes prudent.

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(B) Failure to Locate. If a lost Participant is not located after 6 months following the date the Administrative Services Provider first attempts to locate the lost Participant using one or more of the methods described in Section 5.12(A), the Administrative Services Provider may employ the unclaimed property processes of the state of the lost Participant's last known address. Neither the Administrative Services Provider nor the Trustee shall be responsible for restoring the Account (including potential gains) if a lost Participant whose Account was deposited with a state later makes a claim for his/her Account.

(C) Nonexclusivity and Uniformity. The provisions of this Section 5.12 are intended to provide permissible but not exclusive means for the Administrative Services Provider to administer the Accounts of lost Participants. The Administrative Services Provider may utilize any other reasonable method to locate lost Participants and to administer the Accounts of lost Participants, including such methods as the Revenue Service or other regulatory agency may in the future specify. The Administrative Services Provider will apply Section 5.12 in a reasonable manner, but may in determining a specific course of action as to a particular Account, reasonably take into account differing circumstances such as the amount of a lost Participant's Account, the expense in attempting to locate a lost Participant, the Administrative Services Provider's ability to establish and the expense of establishing a rollover IRA, and other factors. The Administrative Services Provider may charge to the Account of a lost Participant the reasonable expenses incurred under this Section 5.12 and which are associated with the lost Participant's Account.

5.13 PLAN CORRECTION. The Administrative Services Provider, as directed by the Employer, may undertake such correction of Plan errors as the Employer deems necessary, including but not limited to correction to maintain the Plan's status as an "eligible deferred compensation plan" under the Code.

ARTICLE VI PARTICIPANT ADMINISTRATIVE PROVISIONS

6.01 BENEFICIARY DESIGNATION. A Participant from time to time may designate, in writing, any person(s) (including a trust or other entity), contingently or successively, to whom the Administrative Services Provider or Trustee will pay the Participant's Account (including any life insurance proceeds payable to the Participant's Account) in the event of death. A Participant also may designate the method of payment of his/her Account. The Administrative Services Provider will prescribe the form for the Participant's written

designation of Beneficiary and, upon the Participant's filing the form with the Administrative Services Provider, the form revokes all designations filed prior to that date by the same Participant. Provided the Administrative Services Provider has been provided reasonable notice thereof, a divorce decree, or a decree of legal separation, revokes the Participant's designation, if any, of his/her spouse as his/her Beneficiary under the Plan unless: (a) the decree or a QDRO provides otherwise; or (b) the Participant has re-designated his/her former spouse as Beneficiary following the date of the divorce decree, or other decree of legal separation. The foregoing revocation provision (if applicable) applies only with respect to a Participant whose divorce or legal separation becomes effective on or following the date the Employer executes the Plan.

6.02 NO BENEFICIARY DESIGNATION. If a Participant fails to name a Beneficiary in accordance with Section 6.01, or if the Beneficiary named by a Participant predeceases the Participant, then the Administrative Services Provider will pay the Participant's remaining Account to the Participant's estate.

If the Beneficiary survives the Participant, but dies prior to distribution of the Participant's entire Account, the Trustee will pay the remaining Account to the Beneficiary's estate unless: (1) the Participant's Beneficiary designation provides otherwise; or (2) the Beneficiary has properly designated a Beneficiary. A Beneficiary only may designate a Beneficiary for the Participant's Account Balance remaining at the Beneficiary's death, and the Beneficiary's designation otherwise complies with the Plan terms. The Administrative Services Provider will direct a Trustee if applicable as to the method and to whom the Trustee will make payment under this Section 6.02.

6.03 PARTICIPATION AGREEMENT.

(A) General. A Participant must elect to make Salary Reduction Contributions on a Participation Agreement form the Administrative Services Provider provides for this purpose. The Participation Agreement must be consistent with the procedures of the Administrative Services Provider. The Participation Agreement may impose such other terms and limitations as the Employer or Administrative Services Provider may determine.

(B) Election Timing. A Participation Agreement may not take effect earlier than the first day of the calendar month following the date the Participant executes the Participation Agreement and as to Compensation paid or made available in such calendar month. However, if an Employee is eligible to become a Participant during the Employee's calendar month of hire, the Employee may execute a Participation Agreement on or before the date he/she

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becomes an Employee, effective for the month in which he/she becomes an Employee.

(C) Sick, Vacation and Back Pay. If the Employer adopts a policy that permits Participants to make Salary Reduction Contributions from accumulated sick pay, from accumulated vacation pay or from back pay, a Participant who will incur a Severance from Employment may execute a Participation Agreement before such amounts are paid or made available provided: (i) such amounts are paid or made available before the Participant incurs the Severance; and (ii) the Participant is an Employee in that month.

(D) Modification of Participation Agreement. A Participation Agreement remains in effect until a Participant modifies it or ceases to be eligible to participate in the Plan. A Participant may modify his/her Participation Agreement by executing a new Participation Agreement. Any modification will become effective no earlier than the beginning of the calendar month commencing after the date the Participant executes the new Participation Agreement. Filing a new Participation Agreement will revoke all Participation Agreements filed prior to that date. The Employer or Administrative Services Provider may restrict the Participant's right to modify his/her Participation Agreement in any Taxable Year.

6.04 PERSONAL DATA TO ADMINISTRATIVE SERVICES PROVIDER. Each Participant and each Beneficiary of a deceased Participant must furnish to the Administrative Services Provider such evidence, data or information as the Administrative Services Provider considers necessary or desirable for the purpose of administering the Plan. The provisions of this Plan are effective for the benefit of each Participant upon the condition precedent that each Participant will furnish promptly full, true and complete evidence, data and information when requested by the Administrative Services Provider, provided the Administrative Services Provider advises each Participant of the effect of his failure to comply with its request.

6.05 ADDRESS FOR NOTIFICATION. Each Participant and each Beneficiary of a deceased Participant must file with the Administrative Services Provider from time to time, in writing, his/her address and any change of address. Any communication, statement or notice addressed to a Participant, or Beneficiary, at his/her last address filed with the Administrative Services Provider, or as shown on the records of the Employer, binds the Participant, or Beneficiary, for all purposes of this Plan.

6.06 PARTICIPANT OR BENEFICIARY INCAPACITATED. If evidence is submitted to the Administrative Services Provider which supports an opinion that a Participant or Beneficiary entitled to a

Plan distribution is not able to care for his/her affairs because of a mental condition, a physical condition, or by reason of age, the Administrative Services Provider or the Trustee may make the distribution to the Participant's or Beneficiary's guardian, conservator, trustee, custodian (including under a Uniform Transfers or Gifts to Minors Act) or to his/her attorney-in-fact or to other legal representative upon furnishing evidence of such status satisfactory to the Administrative Services Provider and to the Trustee. The Administrative Services Provider and the Trustee do not have any liability with respect to payments so made and neither the Administrative Services Provider nor the Trustee has any duty to make inquiry as to the competence of any person entitled to receive payments under the Plan.

ARTICLE VII MISCELLANEOUS

7.01 NO ASSIGNMENT OR ALIENATION. A Participant or Beneficiary does not have the right to commute, sell, assign, pledge, transfer or otherwise convey or encumber the right to receive any payments under the Plan or Trust and the Administrative Services Provider and the Trustee will not recognize any such anticipation, assignment, or alienation. The payments and the rights under this Plan are non-assignable and nontransferable. Subject to Section 8.15, a Participant's or Beneficiary's interest in the Trust is not subject to attachment, garnishment, levy, execution or other legal or equitable process.

7.02 EFFECT ON OTHER PLANS. This Plan does not affect benefits under any other retirement, pension, or benefit plan or system established for the benefit of the Employer's Employees, and participation under this Plan does not affect benefits receivable under any such plan or system, except to the extent provided in such plan or system.

7.03 WORD USAGE. Words used in the masculine will apply to the feminine where applicable, and wherever the context of the Plan dictates, the plural will be read as the singular and the singular as the plural.

7.04 STATE LAW. The laws of the state of the Employer's principal place of business will determine all questions arising with respect to the provisions of this Prototype Plan, except to the extent Federal law supersedes State law.

7.05 EMPLOYMENT NOT GUARANTEED. Nothing contained in this Plan, or any modification or amendment to the Plan, or in the creation of any Account, or the payment of any benefit, gives any Employee, Participant or Beneficiary any right to continue employment, any legal or equitable right against the Employer, the

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Administrative Services Provider, the Trustee, any other Employee of the Employer, or any agents thereof except as expressly provided by the Plan.

7.06 NOTICE, DESIGNATION, ELECTION, CONSENT AND WAIVER. All notices under the Plan and all Participant or Beneficiary designations, elections, consents or waivers must be in writing and made in a form acceptable to the Administrative Services Provider. To the extent permitted by Treasury regulations or other applicable guidance, any Plan notice, election, consent or waiver may be transmitted electronically. Any person entitled to notice under the Plan may waive the notice or shorten the notice period except as otherwise required by the Code.

7.07 LIMITATIONS ON TRANSFERS AND EXCHANGES. The Employer and the Administrative Services Provider may adopt procedures to govern Participant elections and directions concerning a Participant's, Beneficiary's, or Alternate Payee's investment specifications and may impose limitations on transfers and exchanges from one investment option with the Plan to another. These procedures shall be in addition to any established by investment providers to the Plan. The Employer and the Administrative Services Provider may decline to implement any investment instructions for a Participant, Beneficiary, or Alternate Payee where either deems appropriate.

7.08 EMPLOYER RESPONSIBILITY FOR DISTRIBUTION OF PLAN RELATED INFORMATION. The Employer will distribute all Plan related amendments, restated plan documents, and deferred compensation plan tax related documentation to the Administrative Service Providers when there are multiple Administrative Service Providers of the Plan.

7.09 USE OF PLAN ASSETS THAT ARE NOT ATTRIBUTABLE TO AN ACCOUNT. If the Plan receives money that is not attributable to an Account, then the Employer will direct the Administrative Services Provider as to the use of these amounts. Examples include, but are not limited to, money received by the Plan as part of a settlement, litigation award or fee reimbursement. The Employer may use these amounts to offset Plan expenses or may allocate these amounts to Participants or as it deems appropriate

ARTICLE VIII TRUST PROVISIONS

8.01 APPLICATION. The provisions of this Article VIII apply only if the Employer has not elected to substitute another trust, custodial accounts or annuity contracts in lieu of the Trust established under this Article VIII.

8.02 ACCEPTANCE / HOLDING. The Trustee accepts the Trust created under the Plan and agrees to perform the duties and obligations imposed. The Trustee must hold in trust under this Article VIII, all Deferred Compensation until paid in accordance with the Plan terms.

8.03 RECEIPT OF CONTRIBUTIONS. The Trustee is accountable to the Employer for the funds contributed to it by the Employer or the Administrative Services Provider, but the Trustee does not have any duty to see that the contributions received comply with the provisions of the Plan.

8.04 FULL INVESTMENT POWERS. The Trustee is authorized and empowered, but not by way of limitation, to exercise and perform the following duties:

(a) To invest any part or all of the Trust in any common or preferred stocks, open-end or closed-end mutual funds, put and call options traded on a national exchange, United States retirement plan bonds, corporate bonds, debentures, convertible debentures, commercial paper, U. S. Treasury bills, U. S. Treasury notes and other direct or indirect obligations of the United States Government or its agencies, improved or unimproved real estate situated in the United States, limited partnerships, insurance contracts of any type, mortgages, notes or other property of any kind, real or personal, and to buy or sell options on common stock on a nationally recognized options exchange with or without holding the underlying common stock, as a prudent person would do under like circumstances. Any investment made or retained by the Trustee in good faith will be proper but must be of a kind constituting a diversification considered by law suitable for trust investments;

(b) To retain in cash so much of the Trust as it may deem advisable to satisfy liquidity needs of the Plan and to deposit any cash held in the Trust in a bank account at reasonable interest;

(c) To invest, if the Trustee is a bank or similar financial institution supervised by the United States or by a State, in any type of deposit of the Trustee (or a bank related to the Trustee within the meaning of Code §414(b)) at a reasonable rate of interest or in a common trust fund as described in Code §584, or in a collective investment fund, the provisions of which the Trust incorporates by this reference, which the Trustee (or its affiliate, as defined in Code §1504) maintains exclusively for the collective investment of money contributed by the bank (or its affiliate) in its capacity as Trustee and which conforms to the rules of the Comptroller of the Currency;

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(d) To manage, sell, contract to sell, grant options to purchase, convey, exchange, transfer, abandon, improve, repair, insure, lease for any term even though commencing in the future or extending beyond the term of the Trust, and otherwise deal with all property, real or personal, in such manner, for such considerations and on such terms and conditions as the Trustee decides;

(e) To credit and distribute the Trust as directed by the Administrative Services Provider of the Plan. The Trustee will not be obliged to inquire as to whether any payee or distributee is entitled to any payment or whether the distribution is proper or within the terms of the Plan, or as to the manner of making any payment or distribution. The Trustee will be accountable only to the Administrative Services Provider for any payment or distribution made by it in good faith on the order or direction of the Administrative Services Provider;

(f) To borrow money, to assume indebtedness, extend mortgages and encumber by mortgage or pledge;

(g) To compromise, contest, arbitrate or abandon claims and demands;

(h) To have with respect to the Trust all of the rights of an individual owner, including the power to exercise any and all voting rights associated with Trust assets, to give proxies, to participate in any voting trusts, mergers, consolidations or liquidations, to tender shares and to exercise or sell stock subscriptions or conversion rights;

(i) To lease for oil, gas and other mineral purposes and to create mineral severances by grant or reservation; to pool or unitize interest in oil, gas and other minerals; and to enter into operating agreements and to execute division and transfer orders;

(j) To hold any securities or other property in the name of the Trustee or its nominee, with depositories or agent depositories or in another form as it may deem best, with or without disclosing the trust relationship;

(k) To perform any and all other acts in its judgment necessary or appropriate for the proper and advantageous management, investment and distribution of the Trust;

(l) To retain any funds or property subject to any dispute without liability for the payment of interest, and to decline to make payment or delivery of the funds or property until a court of competent jurisdiction makes a final adjudication;

(m) To file all tax returns required of the Trustee;

(n) To furnish to the Employer and the Administrative Services Provider an annual statement of account showing the condition of the Trust and all investments, receipts, disbursements and other transactions effected by the Trustee during the Plan Year covered by the statement and also stating the assets of the Trust held at the end of the Plan Year, which accounts will be conclusive on all persons, including the Employer and the Administrative Services Provider, except as to any act or transaction concerning which the Employer or the Administrative Services Provider files with the Trustee written exceptions or objections within 90 days after the receipt of the accounts; and

(o) To begin, maintain or defend any litigation necessary in connection with the administration of the Trust, except that the Trustee will not be obliged or required to do so unless

8.05 RECORDS AND STATEMENTS. The records of the Trustee pertaining to the Trust will be open to the inspection of the Employer at all reasonable times and may be audited from time to time by any person or persons as the Employer may specify in writing. The Trustee will furnish the Administrative Services Provider whatever information relating to the Trust the Administrative Services Provider considers necessary.

8.06 FEES AND EXPENSES FROM FUND. The Trustee will receive reasonable annual compensation in accordance with its fee schedule as published from time to time. The Trustee will pay from the Trust all fees and expenses the Trustee reasonably incurs in its administration of the Trust, unless the Employer pays the fees and expenses.

8.07 PROFESSIONAL AGENTS. The Trustee may employ and pay from the Trust reasonable compensation to agents, attorneys, accountants and other persons to advise the Trustee as in its opinion may be necessary. The Trustee may delegate to any agent, attorney, accountant or other person selected by it any non-Trustee power or duty vested in it by the Trust, and the Trustee may act or refrain from acting on the advice or opinion of any agent, attorney, accountant or other person so selected.

8.08 DISTRIBUTION OF CASH OR PROPERTY. The Trustee may make distribution under the Plan in cash or property, or partly in each, at its fair market value as determined by the Trustee.

8.09 RESIGNATION AND REMOVAL. The Trustee or the Custodian may resign its position by giving written notice to the Employer and to the Administrative Services Provider. The Trustee's notice must specify the effective date of the Trustee's resignation, which date must be at least 30 days

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following the date of the Trustee's notice, unless the Employer consents in writing to shorter notice.

The Employer may remove a Trustee or a Custodian by giving written notice to the affected party. The Employer's notice must specify the effective date of removal which date must be at least 30 days following the date of the Employer's notice, except where the Employer reasonably determines a shorter notice period or immediate removal is necessary to protect Plan assets.

8.10 SUCCESSOR TRUSTEE.

(A) Appointment. In the event of the resignation or the removal of a Trustee, where no other Trustee continues to service, the Employer must appoint a successor Trustee if it intends to continue the Plan. If two or more persons hold the position of Trustee, in the event of the removal of one such person, during any period the selection of a replacement is pending, or during any period such person is unable to serve for any reason, the remaining person or persons will act as the Trustee. If the Employer fails to appoint a successor Trustee as of the effective date of the Trustee resignation or removal and no other Trustee remains, the Trustee will treat the Employer as having appointed itself as Trustee and as having filed the Employer's acceptance of appointment as successor Trustee with the former Trustee.

(B) Automatic Successor. Any corporation which succeeds to the trust business of the Trustee, or results from any merger or consolidation to which the Trustee is a party, or is the transferee of substantially all the Trustee's assets, will be the successor to the Trustee under this Trust. The successor Trustee will possess all rights, duties and powers under this Trust as if the successor Trustee were the original Trustee. Neither the Trustee nor the successor Trustee need provide notice to any interested person of any transaction resulting in a successor Trustee. The successor Trustee need not file or execute any additional instrument or perform any additional act to become successor Trustee.

8.11 VALUATION OF TRUST. The Trustee will value the Trust as of each Accounting Date to determine the fair market value of the Trust assets. The Trustee will value the Trust on such other date(s) the Administrative Services Provider may direct.

8.12 PARTICIPANT DIRECTION OF INVESTMENT. Consistent with the Administrative Services Provider's policy adopted under Section 5.02(i), the Trustee may consent in writing to permit Participants in the Plan to direct the investment to the Trust assets. The Administrative Services Provider will advise the Trustee of the portion of the Trust credited to each Participant's Account under the Plan, and subject to such Participant direction. As a condition of Participant direction, the Trustee may

impose such conditions, limitations and other provisions as the Trustee may deem appropriate and as are consistent with the Administrative Services Provider's policy. The Trustee will report to the Administrative Services Provider the net income, gain or losses incurred by each Participant directed Account separately from the net income, gain or losses incurred by the general Trust during the Trust Year.

8.13 THIRD PARTY RELIANCE. No person dealing with the Trustee will be obliged to see to the proper application of any money paid or property delivered to the Trustee, or to inquire whether the Trustee has acted pursuant to any of the terms of the Trust. Each person dealing with the Trustee may act upon any notice, request or representation in writing by the Trustee, or by the Trustee's duly authorized agent, and will not be liable to any person whomsoever in so doing. The certificate of the Trustee that it is acting in accordance with the Trust will be conclusive in favor of any person relying on the certificate.

8.14 INVALIDITY OF ANY TRUST PROVISION. If any clause or provision of this Article VIII proves to be or is adjudged to be invalid or void for any reason, such void or invalid clause or provision will not affect any of the other provisions of this Article VIII and the balance of the Trust provisions will remain operative.

8.15 EXCLUSIVE BENEFIT. The Trustee will hold all the assets of the Trust for the exclusive benefit of the Participants and their Beneficiaries and neither the Employer nor the Trustee will use or divert any part of the corpus or income of the Trust for purposes other than the exclusive benefit of the Participants and Beneficiaries of the Plan. The Employer will not have any right to the assets held by the Trustee and the Trust assets will not be subject to the claims of the Employer's creditors or, except as provided in Section 4.06, of the creditors of any Participant or Beneficiary. No Participant or Beneficiary shall have any right to sell, assign, transfer or otherwise convey his/her Account or any interest in his/her Deferred Compensation. Notwithstanding the foregoing, the Administrative Services Provider may pay from a Participant's or Beneficiary's Account the amount the Administrative Services Provider finds is lawfully demanded under a levy issued by the Internal Revenue Service with respect to that Participant or Beneficiary or is sought to be collected by the United States Government under a judgment resulting from an unpaid tax assessment against the Participant or Beneficiary. The Trust created under the Employer's Plan is irrevocable and its assets will not inure to the benefit of the Employer.

8.16 SUBSTITUTION OF CUSTODIAL ACCOUNT OR ANNUITY CONTRACT. The

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Employer may elect to use one or more custodial accounts or annuity contracts in lieu of or in addition to the Trust established in this Article VIII. Any such custodial account or annuity contract must satisfy the requirements of Code §457(g)(3) and applicable Treasury regulations.

8.17 GROUP TRUST AUTHORITY. Notwithstanding any contrary provision in this Plan, the Trustee may, unless restricted in writing by the Administrative Services Provider, transfer assets of the plan to a group trust that is operated or maintained exclusively for the commingling and collective investment of monies provided that the funds in the group trust consist exclusively of trust assets held under plans qualified under Code section 401(a), individual retirement accounts that are exempt under Code section 408(e), and eligible governmental plans that meets the requirements of Code section 457(b). For this purpose, a trust includes a custodial account that is treated as a trust under Code section 401(f) or under Code section 457(g)(3). For purposes of valuation, the value of the interest maintained by the Plan in such group trust shall be the fair market value of the portion of the group trust held for Plan, determined in accordance with generally recognized valuation procedures.

ARTICLE IX AMENDMENT, TERMINATION, TRANSFERS

9.01 AMENDMENT BY EMPLOYER / SPONSOR. The Employer has the right at any time and from time to time:

(a) To amend this Plan and Trust Agreement in any manner it deems necessary or advisable in order to continue the status of this Plan as an Eligible 457 Plan; and

(b) To amend this Plan and Trust Agreement in any other manner, including deletion, substitution or modification of any Plan or Trust.

The Employer must make all amendments in writing. The Employer may amend the Plan by addenda, by separate amendment, or by restatement of the Plan. Each amendment must state the date to which it is either retroactively or prospectively effective. The Employer also may not make any amendment that affects the rights, duties or responsibilities of the Trustee or the Administrative Services Provider without the written consent of the affected Trustee or the Administrative Services Provider.

The Employer will accept amendments from the Administrative Services Provider (including adoption of a substitute Plan and Trust) without being required to re-execute the Plan, provided that the

amendments are necessary to continue the Plan as an Eligible 457 Plan.

9.02 TERMINATION / FREEZING OF PLAN. The Employer has the right, at any time, to terminate this Plan or to cease (freeze) further Deferral Contributions to the Plan. Upon termination or freezing of the Plan, the provisions of the Plan (other than provisions permitting continued Deferral Contributions) remain operative until distribution of all Accounts. Upon Plan termination, the Administrative Services Provider or Trustee shall distribute to Participants and Beneficiaries all Deferred Compensation as soon as is reasonably practicable following termination.

9.03 TRANSFERS. The Plan: (a) may accept a Transfer of a Participant's Account in another employer's Eligible 457 Plan; or (b) may Transfer a Participant's (or Beneficiary's) Account in this Plan to the another employer's Eligible 457 Plan. The other plan involved in the Transfer must provide for Transfers. The Participant or Beneficiary, after the Transfer will have Deferred Compensation in the recipient plan at least equal to his/her Deferred Compensation in the transferring plan immediately before the Transfer. Any Transfer also must comply with applicable Treasury regulations, and in particular Treas. Reg. §§1.457-10(b)(2) as to post-severance transfers between Eligible 457 Plans; 1.457-10(b)(3) as to transfers of all assets between Eligible 457 Plans; and 1.457-10(b)(4) as to transfers between Eligible 457 Plans of the same Employer. The Administrative Services Provider will credit any Transfer accepted under this Section 9.03 to the Participant's Account and will treat the transferred amount as a Deferral Contribution for all purposes of this Plan except such Transfer will not be treated as a Deferral Contribution subject to the limitations of Article III. The Plan's Transfer of any Participant's or Beneficiary's Account under this Section 9.03 completely discharges the Employer, the Administrative Services Provider, the Trustee and the Plan from any liability to the Participant or Beneficiary for any Plan benefits.

9.04 PURCHASE OF PERMISSIVE SERVICE CREDIT. A Participant, prior to otherwise incurring a distributable event under Article IV, may direct the Trustee to transfer (as of January 1, 2002, or later) all or a portion of his/her Account to a governmental defined benefit plan (under Code §414(d)) for: (a) the purchase of permissive service credit (under Code §415(n)(3)(A)) under such plan, or (b) the repayment of contributions and earnings previously refunded with respect to a forfeiture of service credited under the plan (or under another governmental plan within the same State) to which Code §415 does not apply by reason of Code §415(k)(3).

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IN WITNESS WHEREOF, the undersigned has executed this Plan and Trust to become effective the 30 day of June, 2011 for the:

0036503001 CITY OF SURPRISE
(Plan Name)

By: Adopted by Negative Consent of Plan Sponsor
(signature)

(printed name)

(title/role)